Overview
In March 2018, the Land Trust Accreditation Commission released the 2018 Requirements Manual. The Manual was the culmination of a year’s worth of effort with input from the land trust community and professional advisors to refine and finalize the requirements.

Following the Land Trust Alliance’s Land Trust Standards and Practices (Standards) revisions in 2017, the Commission transitioned from reviewing “indicator practices” to reviewing “indicator elements.” The accreditation indicator elements were selected by the Alliance based on lessons learned by the Commission over the last decade, feedback from land trusts, and advice from a 13-member advisory group. The core concepts are still in place, ensuring ongoing public trust and support. Elements from high-risk areas were added, positioning accredited land trusts for the future, while low-risk or redundant concepts were dropped, keeping the accreditation program cost-effective and relevant.

The new and improved Manual aligns the requirements with the 2017 Standards. The requirements were developed with a risk-based mindset in response to feedback that the accreditation review should focus more on high-risk areas to make the best use of land trusts’ time. The new format of the Manual makes it easier for land trusts to compile the documentation needed for the accreditation application and addresses feedback from past applicants about redundancy. The introduction section of the Manual includes important and detailed information on the format and use of the Manual.

Public Comment Process
As part of these updates to the format of the Manual and to the requirements, the Commission asked land trusts for feedback in several ways.

Online Survey
Throughout 2017, land trusts were encouraged via email, eNewsletters, webinars, and the Commission’s website to give comments on the proposed changes using an anonymous online survey that was open from August 23 – September 30, 2017. The Commission’s public comment survey about proposed changes to the accreditation requirements and draft 2018 Requirements Manual was sent to the following using targeted emails:
- Accredited land trusts
- Applicant/registrant land trusts
- Land Trust Alliance consultants
- Federal agencies and Colorado Department of Regulatory Agencies (Conservation Easement Program)
- Land trust community funders and foundations

The Commission received 48 responses from the survey and five sets of email comments from land trusts. A summary of these comments and a response to them is provided below.

Additional Feedback
The Commission also worked with the land trust community and professional advisors for targeted feedback on the requirements and the new format, including:
- Multiple in-person focus groups totaling 42 land trusts to discuss the new format of the requirements
- Outreach to 14 land trust advisors on options for specific new requirements

Detailed Feedback and Responses
This document is a companion to the full Manual and provides more in-depth information on the input the Commission received from the online survey along with a response from the Commission. The detailed comments provided for each question are included as an appendix to this report.

For Q1 on “Do you think the new grouped format will make it easier or harder for your land trust to compile the information needed for the accreditation application?”
- 80% answered “Yes, this makes it easier”
- 25% answered “I do not think it has any impact”
- Zero percent answered “No, this makes it harder”
  - Two commenters expressed concern about losing the guidance, contextual detail and explanatory text from no longer having key elements, information on required content and information on specific types of property
  - One commenter responded: “It is more intuitive but I am concerned that if the Alliance does not follow suit it could make things confusing...which format to organize a land trust’s files and programs, etc.?"
  - Another commenter responded: “It will provide SOME help for those in our organization that have limited responsibilities (Finance, Board governance). Others will probably have to remain familiar with ALL sections, anyway. There is some reduction in redundant material. That's nice.”

Response:
The comments support the new grouped format. A few commenters had concerns about the loss of the explanatory text. The final Manual now includes key definitions and lists of examples, which will help land trusts meet the requirements.
For Q2 about the new “Must Show” and “If Flagged” approach:

- 73% answered “The “Must Show” and “If Flagged” approach is understandable and makes sense to me”
- 27% answered “I still have questions about the “Must Show” and “If Flagged” approach”

For the comments about Q2:

- 13% (six comments) expressed concern about consistency, allowing too much flexibility, and “If Flagged” items seeming arbitrary. See appendix for specific comments on Q2 on consistency
- 13% (six comments) expressed confusion about the “Must Show” and “If Flagged” approach:
  - 11% (five comments) expressed confusion about when the flagging occurs, before or after application submission, or if it’s a two-step review process where the “ If Flagged” is used as result of what is observed under “Must Show”
  - One comment asked for more specificity about what “If Flagged” means: “Are these "nice to have" or "Best practices generally but not really required"?”
- 4% (two comments) suggested that an approach beyond just having examples would be more helpful. They would prefer to have a sample or checklist for each document to make things clearer and to help land trusts prepare ahead of time
- 2% (one comment) expressed concern about how deeply the Commission will drill for “If Flagged” items that are not as important to land conservation

Response:
The comments from the survey and the land trust focus groups indicated that having these two categories of requirements was confusing. Some land trusts at in-person sessions questioned why the “If Flagged” requirements were written from a perspective of what a land trust should not do. The feedback was that land trusts really want a Manual that is straightforward to them and clearly tells them what they are expected to do for accreditation.

The final Manual incorporates this feedback by doing away with the draft “Must Show” and “If Flagged” approach. Now, there is one list of requirements for each group of indicator elements. The use of bold font for requirements that are higher risk and will be verified for every land trust during the review demonstrates how the Commission uses a risk lens in evaluating the application. Requirements that are not bolded are just as important, but corrective action is situational and depends on risk.

For Q5 about “Do you think the draft 3A2 requirements for board oversight of finances strike the right balance for managing risks?”:

- 76% answered Yes
- 14% answered No
- 10% answered Not Sure
Response: The public comments raised questions about the specific materials that should be provided to the board on a periodic basis to enable the board to meet its financial oversight obligations. The final Manual clarifies the materials that are expected to be reviewed by the board. In addition, the final formatting resulted in consolidation and simplification of the requirements.

For Q7 on “Do you think the draft 6D1 requirements for internal controls strike the right balance for managing risks?“:
- 55% answered Yes
- 14% answered No
- 31% answered Not sure

See Appendix for comments on Q7

Response: When first developing the requirements, the Commission researched whether there was a simple, scalable format for internal financial controls and/or a checklist of minimum internal control elements. Because no such format or checklist exists, the Commission developed an internal controls questionnaire that is now incorporated directly into the application as a response to “risk and control questions.” These questions require a land trust to evaluate risks tied to the wording of the indicator element. A certification was developed to confirm the controls are evaluated and are effective.

Several commenters suggested exempting land trusts that have an annual audit from the internal controls questions. The Commission reviewed these comments in detail and concluded that an exception was not appropriate. The auditor is only questioning internal controls from the vantage point of ensuring that his/her audit report is accurate and is not passing judgement on the adequacy of internal controls. Therefore, the final Manual requires all land trusts to answer the internal controls questions and upload corresponding documents.

For Q8 on “Would your land trust need a plan because it did not have at least three months of operating reserves at the end of the last fiscal year?“:
- 18% answered Yes
- 68% answered No
- 14% answered Not sure

See Appendix for comments on Q8
Response:
The Commission appreciates this information from land trusts. The final Manual and application provides additional guidance to land trust about what type of information can be provided if the land trust does not have three months operating reserves at the end of the last fiscal year. The “such-as list” in the documents section gives the following examples: a plan that includes specific funding targets and specific strategies with timelines to meet the funding targets or a board report detailing other funds held by or on behalf of your land trust that serve as operating reserves.

For Q9 on “Do you think the draft 6A4 requirements for financial health strike the right balance for managing risks?”:
- 67% answered Yes
- 13% answered No
- 20% answered Not sure

See Appendix for comments on Q9

Response:
Several commenters indicated that a three-month operating reserve may be too thin, while others suggested it was arbitrary and may not offer enough flexibility to reflect the dynamic nature of land trusts. The Commission has not set a requirement for having a three-month operating reserves; the requirement uses a three-month operating reserve as a screening tool and provides flexibility for a land trust to evaluate its operating reserve needs and to provide a plan to address its needs.

For Q11 on “Do you think the draft 5B3 requirements for donor restrictions strike the right balance for managing risks?”:
- 86% answered Yes
- 3% answered No
- 11% answered Not sure

Response:
The comments support the draft requirements. The final Manual includes consolidation and simplification of the requirements.

For Q13 on “Do you think the draft 6E2 requirements for insurance strike the right balance for managing risks?”:
- 69% answered Yes
- 7% answered No
- 24% answered Not sure
Three comments expressed concern over what level of board review is expected. See more on these and other comments on Q13 in the Appendix

Response:
The comments indicated several land trusts, particularly larger ones, had concerns with the draft requirement that specified board involvement in reviewing insurance needs. Specifically, larger land trusts indicated an evaluation of insurance needs is a staff function and having a board review would be an extra burden that is not helpful to the land trust. Another comment was that some board members may not have the right expertise to evaluate insurance needs and other options for an appropriate review should be allowed in the requirements. The final Manual incorporates this feedback and allows for the board or a delegated entity to complete the evaluation of insurance needs.

For Q17 on “Which of the “Must Show” options would you prefer for visual inspections (choose one)? [8C1 Part 1]”:
- 68% chose Option 1: a specific list of what needs to be included in documentation of a visual inspection
- 32% chose Option 2: showing only that some form of documentation of a visual inspection exists

See Appendix for comments on Q17

For Q18 “Which of the options would you prefer for project selection criteria (choose one)? [8C1 Part 2]”:
- 47% chose Option 1: requiring documentation that the selected project meets the project selection criteria
- 53% chose Option 2: requiring additional information only when a selected project is inconsistent with the project selection criteria

See Appendix for comments on Q18

Response:
The comments on the draft requirements reflect two perspectives in the land trust community: 1) land trusts that want the Commission to be flexible and take a land trust’s facts and circumstances into account and 2) land trusts that want the Commission to be specific in its requirements so that the land trust can clearly know what will be acceptable. As part of setting the requirements, the Commission considered the documentation needed for each requirement, the amount of work that it puts on a land trust and the Commission, and whether the risk the requirement addresses is in balance with the documentation required. The final Manual includes requirements that are a hybrid of the draft requirements.
For Q20 “Do you think the draft 10C4 requirements strike the right balance for managing risks?”:

- 64% answered Yes
- Zero percent answered No
- 36% answered Not sure

Two comments said that they don’t do these kinds of transactions, and one comment said that the language was confusing so it was unclear which requirement it was. See more comments on Q20 in the Appendix

Response:
Overall, the public comments indicated that the draft requirements did strike the right balance for managing risk. However, several commenters indicated the draft requirements were unclear. Other comments reflected the debate in the land trust community about the element itself that was evident during the Standards revision process. The final Manual aligns the requirements with the current Land Trust Alliance Tax Shelter Advisory.

For Q23 “Which option would you prefer for documenting significant change (choose one) for 11B3?”:

- 61% chose Option 1: a specific list of what needs to be included in documentation of a significant change to the land or easement
- 39% chose Option 2: a case-by-case determination of whether documentation of the change is sufficient for the specific projects chosen for review

Three comments suggested having clarity about what is sufficient is important. See more on these and other comments on Q23 in the Appendix

Response:
The comments on the draft requirements reflect two perspectives in the land trust community: 1) land trusts that want the Commission to be flexible and take a land trust’s facts and circumstances into account and 2) land trusts that want the Commission to be specific in its requirements so that the land trust can clearly know what will be acceptable. As part of setting the requirements, the Commission considered the documentation needed for each requirement, the amount of work that it puts on a land trust and the Commission, and whether the risk the requirement addresses is in balance with the documentation required. The final Manual includes a requirement that is a hybrid of the draft requirements and provides land trusts information on what is sufficient documentation with a “such-as list.”
For Q24 “Which option would you prefer for stewardship records 11F3 (choose one)?”:
- 61% chose Option 1: a policy or procedure specifying which records to retain
- 21% chose Option 2: a case-by-case determination that appropriate records are maintained for the specific projects chosen for review
- 18% chose Comments

See Appendix for on comments on Q24

Response:
The comments support having the requirements address stewardship records both in a policy/procedure and with the outcome of keeping conservation easement stewardship records. In addition, the comments suggested that land trusts should only be required to keep the essential stewardship records because some records, such as non-substantive interpretations, may not be necessary to be retained permanently. The final Manual clarifies that only substantial records are necessary to be kept. Further, the final Manual addresses the public comments about redundancy in the draft recordkeeping requirements by consolidating the recordkeeping requirements: 1) In the stewardship group, the requirements focus on the content of the stewardship records. 2) In the governance group, stewardship records are required to be part of the records policy. 3) In the transactions group, the permanent retention of substantive stewardship records has been added.

For Q26 “Do you have comments about these or other changes to the requirements?”
- 62% answered No
- 38% answered Yes

Two comments said that the changes are all good. See Appendix for comments on Q26

Response:
The Commission appreciates the time commenters spent providing input. Each comment helped improve the Manual, and the Commission believes the final Manual addresses many of the concerns and comments raised. As a result of these requirements, accredited land trusts demonstrate adherence to the highest national standards for responsible governance, sound finances, strong transactions, and lasting stewardship. Accreditation has increased the public’s trust in land conservation, which benefits the entire land trust community. Accredited land trusts are strong conservation partners and have the verified ability to protect millions of acres forever.
Appendix: Detailed List of Comments Received during Public Comment Survey Period Survey

Comments on Q2 on the new “Must Show” and “If Flagged” approach about concerns about consistency, inconsistency, and too much flexibility.

- “Many of the "if flagged" items seem to involve interpretation and it is unclear how such interpretation will be applied"
- “This is definitely clearer than before. Unfortunately, I still think there is something of an 'arbitrary' feeling here as to the "flagged" approach. I personally like it and like the flexibility - but it may depend on the team reviewing the LT. I can't offer anything better really except having good communications on this - land trusts who went through the process saying how they liked the flexibility or it helped them or something. Not a major issue for me really”
- “I am concerned about the "if flagged" - the perception that the Commission is arbitrary and can move the goal post. I think land trusts want predictability over flexibility. We might do well by removing the word "additional" and replace with "clarifying””

Comments on Q7 “Do you think the draft 6D1 requirements strike the right balance for managing risks?“:

- The questions in the questionnaire and certification presume you believe your organization's internal controls are inadequate and pose real risks. We work hard to ensure that those risks are mitigated now. We have an audit to review our practices, among a variety of other policies and practices. Not sure of the value of having LTAC drill down and serve as second audit. Seems LTAC review of financial controls should rely on audit and put aside open-ended question that avoid questions that seem [leading].
- follows logically on 5B3
- Seems like the report from a third-party auditor via annual audit could take place of questionnaire and certification.
- I think the questions are confusing. Why is there the general first part of the question for nos. 1 and 2. Why isn't it just the subquestion a.
- Our organization was a victim of organizational theft by a former employee many years ago ... It takes more than an internal policy to prevent people who really want to commit fraud. A request for internal control policies would be appropriate but a question regarding outside review seems like that would accomplish more than a simple attestation (I know of one case in our state where the fraud was perpetrated by the E.D., the very person who would be signing this certification!). Our auditor makes a statement in the annual audit about their review of our internal controls and what suggestions they have to improve (if any). Having an outside auditor’s certification in this manner would go much further than the questions listed in the current questionnaire.
- Again, I caution against making this difficult for small organizations with limited staff.
• The questions are interesting, in that they ask us to identify our own exposure to risk. I feel that you should explain what best practices look like and then expect us to follow them.
• I’m not impressed by the Internal Controls Questionnaire. LT’s that are getting audits are already getting better questionnaires from the auditors and internal controls are always addressed in the management letter. As to non-audited land trusts, I would rather see a questionnaire that zeroes in on specific issues rather than requests the LT’s opinion on what it thinks its greatest risks are. Any talented wordsmith can easily defeat the purpose of this form if there are issues, and it’s not specific enough to provide guidance to the rest.
• We have asked our Auditors to include this kind of evaluation during their regular reviews -- and to provide any guidance for any corrective actions, if required. Perhaps it would be simpler to ask for a statement from the Auditor -- for those Trusts that meet the other requirements to have an audited statement.
• The questionnaire and certification approach is good, but ONLY if reviewers are objective instead of being overzealous, as if to prove their worth, and want to flag everything as high risk. There are different successful approaches to process and the tendency to see their approach as the only one acceptable or not.
• Perhaps this is necessary for smaller organizations that are not audited, but it seems very redundant for an organization that has an annual audit by an independent auditor. The auditors are in a much better position to assess the effectiveness of internal controls.

Comments on Q8 “Would your land trust need a plan because it did not have at least three months of operating reserves at the end of the last fiscal year?”
• It is understood that the Commission is reviewing a wide variety of organizations with a great diversity financial stability. Yet, we have a large and (reasonably) complex organization that uses a variety of tools to ensure an appropriate operating reserve, including tapping funds from a 509 supporting organization. Our board /executive committee receives a monthly report and presentation that outlines the operating reserve on-hand as well as any draw from the 509, which has substantial assets available to our organization. Our transparent[cy]to the board and (possibly) more complex approach to our operating reserve does not appear to be a consideration in this one size fits all standard. It would seem unwarranted to get a "if flagged" and be subjected to additional time and effort to explain our practices due to the one size fits all approach.
• We don’t have a plan to address this issue. But our board would likely support developing such a plan.

Comments on Q9 “Do you think the draft 6A4 requirements strike the right balance for managing risks?”:
• See response to #8. At minimum, the requirement is too simplistic, but maybe again just seeking too much oversight over the practices of NGOs
• 90-day cushion seems awfully thin, unless there is a reasonable probability that the money to back-fill a hole in the operating budget will (and has) flow timely.

• The three month time horizon seems short. The conservation easement certification program in Colorado has seen an increase in the number of land trusts that have been unable to cover operating costs. When this happens, it commonly takes more than three months to remedy. Also, the requirement for a plan to establish operating reserves (like the corresponding plan for stewardship) should be mandatory for any land trust that does not already have sufficient operating reserves.

• The issue is effective cash-flow management, not the amount of reserves on a particular day of the year. The timing of the organization's fiscal year has a huge bearing on this requirement. If we had a fiscal year ending on Dec. 31, unrestricted cash reserves would look fabulous. If our FY ended on September 31, our cash reserved would not meet proposed standard. Our businesses are cyclical and the requirement does not account for that - it is too blunt and misses the mark.

• In general, the premise is sound of having sufficient reserves to float operating expenses for a period time. A "3-month rule" seems arbitrary given the diversity of land trusts and business models employed, stability of pledges/contracts, nature of the land trusts workforce, and disruption of program in the event of short-term economic downturns. Additionally, there are circumstances where business models built upon time-restricted or purpose-restricted funds are adequate to manage risk. Definition of operating expenses will vary by land trust. This is an exceptionally important standard, but the "right" answer to this question is more situational and nuanced and is not adequately reflected by the 3-month rule.

• It's reasonable and good that LTA is asking for this. I think it strikes the right balance.

• I fear that the language insisting that an org operate with net inflows each year may be counterproductive. We are not for-profit businesses, and while we want to operate year after year, but sometimes, especially when the economy is poor, we may need to dip into reserves and operate with a net loss. Also, sometimes a land trust may have a net loss in a given year because revenue came in the previous year to cover expenses. The language seems to ignore these possibilities.

• I'm actually fine with the 6A4 requirement for 3 months operating reserves, but I am concerned about the Must Show requirement that there be an, "Operating surplus at the end of the last fiscal year, unless there is a statement from a board officer explaining the reason for the deficit." I think this is too strict. Any nonprofit worth its salt, and not accumulating cash for the sake of accumulating cash, will have both surplus and deficit years. I think the concern about burning through too much cash is adequately addressed by the 3 month operating reserve requirement.

• As comprehended elsewhere in the requirements, most Trusts operate more on an annual/seasonal basis than by financial quarters. Summer months might be much more expensive. Maintaining "3 months" of operating expenses may not be sufficient -- or appropriate.

• I can't imagine why an organization in such dire financial shape would be spending the time and money to be accredited, but if they are, this should highlight that issue.
Comments on Q13 on “Do you think the draft 6E2 requirements strike the right balance for managing risks?“:

- Is it acceptable if the Board delegates review of insurance needs to a committee of the Board? What level of detail of review will be expected?
- In terms of "Board review, at least every five years, of insurance needs appropriate to risk exposure," this is a function typically assigned to administration, not governance. This is undertaken on an annual basis. A review of meeting packets and minutes may show such a review---but principal responsibly lies with administration.
- Asking the board to review insurance needs may be a check the box exercise for accreditation. At what level are they to review it? Just that it exists? That the coverage is not grossly inadequate? Most boards would need to hire a third party (at an expense) to know the answer to whether or not they have adequate insurance coverage as insurance is very complex. How are you going to tell if they have legally required insurance or not? It is usually in a contract. Are you going to ask for contracts? Are you going to ask what state law is? This aspect may be an overreach or make a lot of work.
- We do have the requisite insurance. But this section seems to mandate board involvement in insurance. That makes sense for a small organization but for one our size with experienced staff it will take some work to provide easily understandable insurance summaries and educate the board so that they can be involved in a helpful way. I don't like requiring board review for insurance, I think for some organizations like ours it may be an extra burden that isn't all that helpful. It would be nice if organizations over a certain size could use either board or senior management team approval. In our case the senior management team is a lot more in touch with what we need than the board is. But I agree that more than one person should weigh in on insurance coverage.
- What if the board does not have the right expertise to evaluate this? What other options for appropriate review could you offer?
- I think the requirements strike the right balance but am unclear about how the Commission will determine gross insufficiency.
- Board does not review the policies. Staff does.
- It will be interesting to see if ANY applicants lack insurance.
- "If Flagged" should probably include an example for when a Trust has had a significant change to their Easement portfolio that should have triggered an earlier (than every 5 years) review by the Board -- and appropriate actions.
- Again...don't require documentation where an affidavit will suffice. Are you looking for board minutes here? If so, Is that really necessary? Cut back on asking trusts to dig through old record to where it is absolutely necessary.

Comments on Q17 “Which of the “Must Show” options would you prefer for visual inspections (choose one)? [8C1 Part 1]“:

- A physical site visit should be documented in the organization's project selection criteria worksheet.
• Please make sure that the Commission is flexible in the documentation provided in the application if it does not require a specific list of what needs to be included.
• I would add that the land trust in its inspection also note any imminent threats or near-term management needs.
• Could be a question of "how much" before acquisition. Weather and access might preclude adequate visual survey within 3 months before donation. Should specify timing and conditions for "If Flagged." Perhaps the 'list' can just be a proper subset of the annual inspection report.

Comments on Q18 “Which of the options would you prefer for project selection criteria (choose one)? [8C1 Part 2]”:
• Given the way the options are written now, we prefer Option 2. Our transaction staff would not mind Option 1 if the Commission would provide specifics about what types of documentation would satisfy the requirement. We also wonder how the Commission will view projects where the land trust makes an exception to its project selection criteria or where the fulfillment of criteria could be viewed as subjective.
• I think option two is the more important to judge. If a land trust is frequently pursuing projects that don't fit its criteria, something should probably change. However, sometimes a great project comes along that is outside of what an organization might have anticipated. This allows you to evaluate if it's a one-off exception or if the group should change its criteria.
• Suggest asking for a list of cases where properties did NOT meet then-current selection criteria -- which may be different for different regions. Having this list will simplify Commission's task of identifying issues for the "If Flagged" response.

Comments on Q20 “Do you think the draft 10C4 requirements strike the right balance for managing risks?”:
• A significant proportion of real estate in our region are in LLCs. A significant proportion of donors-- given the real estate market in our region--are going to have easement donations of $1 million or more. That does not meet the Advisory Standard. But, how or when does land trust investigate to find out whether a possible transaction meets the other criteria. Does an opening with landowner begin with these questions? LTA needs to provide more guidance on how and when to engage potential donors with questions that can uncover whether transaction may meet standard. Going forward, what happens if advisory is repealed?
• I am concerned about hard-and-fast sideboards, as well-founded as these specific criteria seem to be. As I read this, each of the three specific 10C4 (b) criteria must be met in order to trigger an automatic "decline." I think that the three-year threshold, in limited circumstances, could kill some otherwise OK easements, if only rarely. It is entirely reasonable to see material value increases when new owners rezone, and/or plat (or obtain other entitlements) pursuant to prior or new zoning, or something happens external to the property that jumps its value, including a recovery from a
recession. What if Amazon announces a new distribution facility ½ mile away six months after a purchase?

• Appraisal reports should be evaluated in every instance. The evaluation should assess:
  1. the physical and legal aspects of the property description (i.e. correct property?),
  2. the conservation easement terms (i.e. final version of the easement?),
  3. the ownership of the property (i.e. correct owner, particularly important with LLCs?),
  4. the intended use of the report (i.e. prepared for tax purposes?).

The Colorado conservation easement certification program is currently looking into requirements for land trust review of appraisal reports. The aim is to have common errors by appraisers identified by the land trusts.

• I understand the need to [be] vigilant against fraud or abuse, but the extent of the onus put on land trusts seems excessive when in many ways it seems like it should rest with appraisers. The due diligence in the Advisory is extensive.

• Assuming the due diligence list includes the valuation information on the property and claimed deduction, etc.

Comments on Q23 “Which option would you prefer for documenting significant change (choose one) for 11B3?“:

• Our land staff consider it important to document significant changes and prefer clarity about what documentation the Commission will consider sufficient.

• "significant" is broadly interpreted here, with a wide variety of potential ways to document. Exercising a permitted division right could be documented in monitoring report, with little need or value in providing photo or map.

• Significant changes to the land or easement warrant a baseline supplement

• This would provide better consistency for land trusts by providing a clear standard

• I like option two better but think it would be improved if it were more consistent with the wording of the indicator element. That is, I think the land trust should be asked to show "appropriate documentation of the change, such as through monitoring reports, a baseline supplement, or current conditions report" In line with my earlier comments about the difficulty in interpreting "appropriate", the Manual might offer that date, written description and photographs and/or maps would be appropriate.

• There are so many things that might happen. I don't think a one-size fits all will really work. The documentation will probably be too much for some changes and insufficient for others.

• Again, clarity of what's expected up front is better than scrambling after the fact to meet the LTA requirements.

Comments on Q24 “Which option would you prefer for stewardship records (choose one)?“:

• Both of these options seem a bit overkill. If a right is exercised, then evidence should be shown but is it necessary to document ‘notices, approvals, denials, interpretations and the exercise of significant permitted rights?'
• I prefer option one, but hope the Commission will be clear about what constitutes the records they're looking for (monitoring reports? issues tracking reports? stewardship summaries for the Board?) Some of these are retained forever; some are not.
• It is confusing that there are two options but they are spread between Must Show and If Flagged and in the requirements manual it almost looks like a typo because there are two Option 1's listed under Must Show. It looks like Option 1 and Option 1 (what happened to Option 2?) Why wouldn't Option 2 also be under Must Show? If you don't do option 1 then would have to show option 2; it doesn't seem like a flag.
• Would prefer clear / consistent list of "Irreplaceable Documents" -- especially if the Commission could provide a sample Recordkeeping Policy example that covers what they expect.
• Option 1 provides certainty and consistency and protects against overzealous, unnecessary, and time-consuming work. Flagging results in asking for documentation for proof of items that are really only aspirational rather than required.

Comments on Q26 “Do you have comments about these or other changes to the requirements?”
• Given that long-term monies are often invested in equities, which fluctuate in value, the analysis should look at more than the value on arbitrary single day. Also, as these are perpetual funds and obligations, so the requirement should again look at trends and if organizations are making progress towards fully funding long-term obligations.
• 11B2: This proposed change is fine, but frustrating for those of us who have worked hard to obtain landowner signatures for older baselines already. General Comment: When I look at the choices on page 25 about staffing it’s clear to me that a lot of land trusts are small. I think the Accreditation Commission is still struggling with how to treat large, well-staffed land trusts. Some indicators where they want board involvement – like insurance- are probably better handled by senior staff in large land trusts. I wish they’d find a way to capture that subtlety and better differentiate responsibilities for land trusts with 30+ (or 40+) regular staff. Requiring our board to be involved in things that they and we feel are management responsibilities doesn’t help strengthen our organization – it’s just another hoop someone else feels we need to jump through.
• 9F3 - requirement that deeds and CEs be recorded within 1 week of signature. This one concerns me as there may be valid times when this may not be possible that aren't a reflection of poor practice by a land trust (i.e., many county recorders do not record on the date that the document is delivered for recording and can be days-weeks behind; there are times when a signed deed or CE may be placed in escrow until certain conditions are met that may take more than a week from signature to be met). 11B2 Proposed change is good so long as the option to document attempt to secure the landowner's signature remains an option. 12B1 I may be in the minority, but I liked the more robust list
• Stewardship and defense funding. Please consider that once a land trust, which operates on a local, regional, or statewide scale, has $750,000 (or some similarly large
amount of funds) in its board restricted stewardship and defense account, the land trust no longer needs to set aside the $3500 minimum per easement.

- 6A5: When a land trust is dissolving, it seems that often the defense fund is used up, slowly, as a means to stay afloat. It seems that there should be a defense fund transfer requirement when a merge is the end case.

- 9G2, 9G3: Only the very necessary should be required to be kept as originals/archives. This is a storage and materials cost that is becoming outdated.

- 6C1 - I think any organization with a budget larger than half a million should be conducting an annual audit! 9F3 - A week seems reasonable, some transactions are recorded in multiple counties. I would think a bigger flag would be if this occurs in more than one instance annually. All others seem fine.

- 6C1 - audits are very expensive and time consuming! Even a small land trust can easily have revenue of over $750K with one large grant for a project or by one generous planned gift coming in. Suggest raising the threshold to $1M.

- The requirement to secure landowner signatures on all baselines that lack them is proposed to be modified to only require the landowner signature, or documented attempt to secure it, on baselines created since 2004 (when the practice was first created). - Does this mean that baselines created as current conditions reports for easements older than 2004 still need landowner signature? So only those baselines that were in existence prior to 2004 do not need signatures? Or might it mean that easements donated prior to 2004 for which a BDR has been created do not require landowner signature???

- Given that deeds can be legally recorded digitally and almost instantaneously in many places, a lag time of a week suggests that something funny might be up. I'm not sure I'd down grade this. How will the commission evaluate whether or not the list of original documents is actually kept?

- 6A5, what will be done if the trust does not yet have half the funds but does have a plan?

- 12B1, I like this change.

- 11B2, this is good change.

- There should be a statement in the 6C1 materials stating that state law may impose lower dollar thresholds for audits and reviews.

- The pre-application asks: "What are your land trust's total anticipated expenses for its current fiscal year?" Is the Commission asking for operating expenses or all costs, including acquisition costs? This needs clarification.

- A flag for the 990 includes: "Form 990 does not report insider transactions and/or family or business relationships between board members." The IRS has a $10,000 minimum threshold for reporting these transactions. The Commission should clarify if it is requiring something over and above IRS requirements.

- The Commission should clarify that the requirement for: "Title investigation does not address ownership and encumbrances" should include "mineral interests."

- There is a flagged item for tax-deductible CEs, "Confirm the easement is an immediately vested property right." Is the Commission saying the CE has to have an
explicit statement to this effect in it? In most states, the interest vests upon recording unless there is some statement in the CE that the CE vests at some future date (such as upon the death of the Grantor.) I think needing an explicit statement is going a little too far.

- The current flagging requirement for filing CEs and deeds for recording is within more than a week after the final signature. I think the Commission should add, for CEs, that the CE was not recorded by December 31 or the last day of the grantor's fiscal year.