In spring of 2021, the Commission released an updated version of the *Requirements Manual* and a document outlining the changes. Some of the changes begin to take effect in 2022. Each month we will be highlighting a change, why we made it and why it is important. Let's start with an update to the Finance section...

**Why is it important?**

- An annual financial evaluation ensures a land trust's board has reliable financial information to fulfill its financial oversight responsibilities.
- The Manual establishes requirements land trusts across the nation must meet in order to operate a fair and credible program regardless of where a land trust is located. The requirements are based on an analysis of the thresholds set by a majority of states as well as standards set by other nonprofit charity evaluators.

**What Changed?**

- The threshold when a review is required has been raised from $100,000 to $250,000 for fiscal years ending 12/31/2020 and beyond. For earlier fiscal years, a review was expected when support and revenue exceeded $100,000.
- A reminder that compilations (not just audits and reviews) must include footnotes and disclosures and show net assets without donor restrictions, with board-designation, and with donor restrictions.

**Why the Change?**

- The Commission heard from several land trusts asking that the threshold for a compilation be evaluated. In response to that land trust input, the Commission reviewed other industry standards, including the Wise Giving Alliance's Standards for Charitable Accountability, and various state law requirements and found that raising the threshold to $250,000 was consistent with these. [Note: the threshold for obtaining an audit was raised from $500,000 to $750,000 in 2018.]

If you have questions about any of the changes please contact us info@landtrustaccreditation.org

[Click here to see the entire Summary of Changes and to download the Requirements Manual.](#)