



# LAND TRUST ACCREDITATION COMMISSION

An independent program of the Land Trust Alliance

## Accreditation in the Time of COVID-19 Guidance from the Land Trust Accreditation Commission Second Edition | May 13, 2020

### Index

Introduction ... [page 2](#)

#### Section 1 – Questions about the Accreditation Requirements

1. General ... [page 3](#)
2. Finance ... [page 3](#)
3. Transactions ... [page 6](#)
4. Stewardship ... [page 7](#)

Section 2 – Questions about Process and Application ... [page 8](#)

**For questions and comments please contact:**

**Lisa McCarthy**

Communications Liaison

Land Trust Accreditation Commission

[lmccarthy@landtrustaccreditation.org](mailto:lmccarthy@landtrustaccreditation.org)

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## Introduction

In these unprecedented times, the Land Trust Accreditation Commission understands that COVID-19 has brought changes to land trusts and the communities they serve. With the call to practice stay-at-home measures, the Commission immediately instituted extensions for organizations in the application process or with applications pending this spring. We understand that land trusts are made up of people and that the extra time was important when facing such a major and sudden change. This action by the Commission was the first-step in a multi-tiered strategy to support and help meet the continuing needs of accredited land trusts and those pursuing accreditation for the first time.

The Commission has spent time actively listening to land trusts from across the country to understand the actual impacts of COVID-19 they face. This feedback is helping the Commission implement customizable solutions that respond to the needs of the land trust community. From these listening sessions, we have found common themes and questions relating to the accreditation requirements. This document is a collection of guidance in response to those questions.

**We also understand that there may be more questions and concerns in the weeks and months ahead. The Commission welcomes questions from the land trust community and will update this guide periodically to reflect any new information.**

Even in this time of uncertainty, the Commission is working hard to respond to accreditation questions and be responsive to the needs of the land trust community. We continue to be inspired by the land trust community and its unwavering commitment to conservation excellence.

[BACK TO INDEX](#)

## Section 1 – Questions about the Accreditation Requirements

### 1. General

**Q. How will the Commission look at the fact that land trusts may not be able to show compliance with some requirements due to the COVID-19 crisis?**

**A.** The first priority is the health and safety of your staff, volunteers, and communities. Land trusts should look to federal, state, and local health authorities and follow state and local laws. The Commission understands this crisis is impacting land trusts differently across the country.

When a review team looks at a renewal application, it considers the entire application and all the facts and circumstances related to your land trust's work over its entire accredited term (not just spring/summer 2020). For a first-time applicant, a review team considers your land trust's most recent work (such as most recent board meetings, transactions) prior to submitting the application. If your most recent work occurs during the time of COVID-19, a review team will also consider your work before the COVID-19 period (in general before, March 1, 2020).

Historically, the Commission has always taken into account isolated or rare circumstances that result in a land trust not being able to show it met the requirements; those instances do not necessarily prevent the land trust from being accredited or renewed. If a review team determines that your noncompliance is isolated and rare, it may recommend your general practice is acceptable.

At this point, it is too early to fully predict the long-term impact of what we are experiencing. The best course of action is to document any variation from your normal procedures and prepare to explain, upfront in the application, any areas where your land trust did not meet the requirements by including relevant facts, circumstances, and explanations.

[BACK TO INDEX](#)

### 2. Finance

**Q. My land trust is considering foregoing a financial audit this year because our finances are tight due to a loss in fundraising revenue and investments from COVID-19. [See indicator element 6C1 and related "Financial Records and Financial Health" requirements.] How will the Commission consider that decision when it reviews my application?**

**A.** The Commission believes it is important for land trusts to obtain external financial evaluations that meet the requirements, especially during a time of financial disruption. However, we understand that a land trust must make difficult decisions on how it spends its financial resources.

***If a land trust chooses not to meet the financial evaluation requirements, there are several ways to help the Commission understand that decision:***

- Show the land trust obtained the required level of evaluation the other years of its accredited term (or in the recent past for first-time applicants)
- Explain specifically why the land trust was not compliant (such as amount of revenue/support lost and when, organizational priorities, cost comparisons)
- Document the board’s thoughtful analysis, before making a deliberate decision, about the risks associated with the noncompliance and that any alternative approach complied with state law
- Explain steps the land trust took to mitigate risk (such as securing an alternative level of financial evaluation)
- Commit to future compliance (such as through a board resolution)

**Q. What happens if our land trust has a deficit at the end of this fiscal year or if our operating reserves decrease? [See indicator elements 6A2, 6A4 and related “Financial Records and Financial Health” requirements.]**

**A.** We understand that stay-at-home orders, remote-working situations, and shifts in the economy and donor priorities will have a financial impact. You may be asking if now is the appropriate time to use some of your operating reserves. The land trust’s board must consider what is in the land trust’s best interest – over the long term and the short term. The Land Trust Alliance document, [Financial Management in the Time of COVID-19](#), provides helpful guidance to land trusts about these topics.

***There are several ways to help the Commission understand why your land trust could not meet the requirements for avoiding deficit spending or not having sufficient operating reserves:***

- Document that the land trust typically met the requirements in previous years (during the accredited term for renewal applicants) (such as number of years without a deficit, number of years with adequate operating reserves)
- Explain specifically why the land trust was not compliant (such as amount of revenue/support lost and when, impact of COVID-19 on staff and operations, operating reserve balance as of March 1, 2020)
- Document the board’s thoughtful discussion about the land trust’s financial situation due to COVID-19 and its analysis of various approaches (such as applying for a Paycheck Protection Program loan) before making a deliberate decision to spend down its operating reserve
- Commit to future compliance (such as through a board plan to address the deficit spending and/or increase the operating reserve)

**Q. I am concerned that our land trust will not meet the full stewardship/defense funding requirements at the time of application because our investments have shown losses due to stock market volatility; plus, we have had to use some of our stewardship funds to keep our stewardship staff in place. [See indicator element 6A5 and related “Stewardship and Defense Funding” requirements.] How will the Commission consider these circumstances when it reviews my application?**

**A.** Land trusts may have to decide if they will use stewardship and defense funds to pay for current stewardship expenses. Remember to consider if your stewardship and defense funds are donor-restricted in any way or restricted for use on a specific property. If there are restrictions, the land trust must honor them. Preserving your donors’ trust is essential even in these extraordinary times.

***There are several ways to help the Commission understand your situation if the stewardship and defense fund balances do not meet the requirements by the time you apply:***

- Document that the land trust had funding levels that met the requirements before March 1, 2020
- Explain specifically why the land trust was not compliant (such as amount of revenue/support lost due to market losses and when lost, amount of funds used for stewardship or defense activities and when used)
- Document the board’s thoughtful discussion about the land trust’s financial situation, the risk of having stewardship and defense funds below the required levels and, if applicable, the specific release of stewardship funds from board designation or donor restrictions to pay for stewardship-related expenses
- Commit to future compliance with a board-adopted plan to address the funding gap over the accredited term. [Depending on the funding gap and long-term economic situation, the Commission understands it may take some land trusts longer than five years to raise the requisite funds.]

[BACK TO INDEX](#)

### 3. Transactions

**Q. With a stay-at-home order in my state, I'm not sure I will be able to obtain the landowner's signature on the baseline documentation report. We are not able to do in-person closings. [See indicator elements 11B1 and 11B2 and related "Baseline Documentation Reports" requirements.] What should we do?**

**A.** Having a baseline complete and signed is not just an accreditation requirement, it is also required by the IRS for conservation easements where the landowner intends to take a tax deduction. Land trusts have been implementing and sharing creative solutions to ensure baseline documentation reports are complete and signed by closing, so reach out to other land trusts in your area to see how your specific on-the-ground situation may be managed. For example, some land trusts have used electronic signatures or have created relay systems to transfer paper documents.

There are several ways to help the Commission understand your situation if your land trust has some instances where it does not meet this requirement:

- Document that the land trust was typically compliant before March 1, 2020 and after the stay-at-home orders were lifted
- Explain specifically why the land trust was not compliant (impact of stay-at-home order, why the land trust was unable to use alternative methods such as electronic signatures)
- Explain the alternative steps the land trust took (such as documenting the attempt to obtain the landowner's signature)

**Q. With stay-at-home orders, it is challenging to obtain all the documentation we would normally include in the baseline documentation report. [See indicator elements 11B1 and 11B2 and related "Baseline Documentation Reports" requirements.] What should we do?**

**A.** We realize obtaining photos and other information you need to create your typical baseline documentation report may be difficult. In these cases, you can still meet the accreditation requirements by creating a report by closing that documents the conservation values and the relevant conditions needed for enforcement using the best available information. This report could incorporate aerial imagery, written descriptions, available maps, etc. The report should also include a signed written agreement that the landowner will permit the baseline preparer entry to the property to complete the documentation and that the landowner will execute the final report with the supplementary information, along with the schedule to do so. In this way, a baseline report is prepared and executed at closing and is supplemented with material at a later date to create a baseline that more fully meets the accreditation requirements.

[BACK TO INDEX](#)

## 4. Stewardship

**Q. Our state’s stay-at-home order prevents our land trust from non-essential travel. What if we are not able to monitor and inspect our easements and fee properties now (and may not be able to for the next few months)? [See indicator elements 11C1 and 12C2 and related “Conservation Easement Monitoring and Conservation Property Inspections” requirements.]**

**A.** The good news is that it is still early in the year! The accreditation requirements are based on a calendar-year approach to monitoring. So, a land trust that visited a property in April 2019 but then next in December 2020 would still meet the accreditation requirements.

In addition, accreditation allows for some modest variations to calendar-year monitoring if a land trust routinely monitors its conservation easements and/or fee properties at year-end and/or within a specific season that results in monitoring falling outside the calendar year. For example, the Commission would accept the following pattern for a renewal applicant, even though the calendar-year 2020 visit occurred early in 2021: December 2018, December 2019, January 2021, December 2021, and December 2022. The Land Trust Alliance provides additional guidance about monitoring and other stewardship issues in its document, [Conservation Stewardship in the Time of COVID-19](#).

***We all know how important it is to visit each conservation property and monitor each conservation easement every year. But if the land trust is not able to meet this requirement due to the COVID-19 crisis, then you can help the Commission better understand your facts and circumstances by:***

- Documenting that the land trust was typically compliant by monitoring/inspecting for all years other than the period impacted by stay-at-home orders
- Explaining specifically why the land trust was not compliant (such as the impact of the stay-at-home order on available staff/volunteers conducting visits)
- Documenting the board’s thoughtful discussion about the risks associated with not monitoring easements and fee properties before making a deliberate decision not to do so
- Explaining alternative steps the land trust took to meet the intent of the practice and/or mitigate risk (such as using aerial or satellite imagery, prioritizing the highest-risk properties)

**Q. Our land trust is thinking about using aerial or satellite images this year as a way to see every property. [See indicator element 11C1 and related “Conservation Easement Monitoring and Conservation Property Inspections” requirements.] Is there anything we need to be aware of related to the requirements?**

**A.** Using aerial or satellite images can be an effective risk management solution; be aware of the following:

- Be sure the date of the remote image matches the year of monitoring. (For example, a 2016 image is not representative of 2020 monitoring.)
- Written monitoring reports are still required, along with a copy of the image, image date and image source. The monitoring report should note any concerns or lack of concerns with what you observed.
- The same exceptions for modest variations (see above) also applies to aerial images. A December 2019 image could be used as the 2020 monitoring in this situation. (Be sure to note that in the application materials.)
- If aerial monitoring becomes part of your longer term process, be sure to develop a protocol that includes on-the-ground monitoring every five years, ensures that aerial images are appropriate for the property, and ensures you will be able to observe issues related to the easement terms. For example, if the easement prohibits use of herbicides, it may be difficult to assess that prohibition using an aerial image.

[BACK TO INDEX](#)

## Section 2 – Questions about the Accreditation Process and Application

### **Q. Will a deadline extension to my renewal application impact my accredited status?**

**A.** No. As long as your land trust is in the accreditation process, the license agreement remains in effect and your land trust is recognized as an accredited land trust.

### **Q. When will the Commission start implementing a seven-year accreditation term?**

**A.** The accreditation term starts at five years and is extended to seven years after an accredited land trust's application for third renewal. The extended term safeguards the integrity of the program while respecting the time land trusts commit to renewing accreditation. More information can be found at: <https://www.landtrustaccreditation.org/news-and-updates/updates-and-announcements/1068-extended-term>

### **Q. My land trust got an extension for submitting the application. Do I need to go back and update parts of the application that relate to “most recent”?**

**A.** No. If you have made that much progress, that's great! But we do not expect you to redo any work that is already complete. If a review team has any questions about those documents, it can address them during the review process. If your application is ready and you would like to submit it according to the original deadline, please do!



**Q. My land trust has been financially impacted by the COVID-19 crisis; my annual spring fundraiser had to be cancelled and donations to my land trusts have steeply declined. I am concerned about being able to pay the upcoming accreditation application fee. Does the Commission have a way to help?**

**A.** The Commission understands that land trusts across the country are being impacted in different ways and in different times. The Commission has taken action to be responsive to allow the accreditation application fee to be paid in two installments for those land trusts experiencing a financial hardship. The first payment will be equal to half of the total application fee and will be due at the time of application; the second installment for the remaining balance will be due approximately six months later. Commission staff will work with each land trust to understand the land trust's circumstances and fiscal year as part of determining the timeline for the second payment. The payment terms and deadlines will be specified in a fee installment agreement that will need to be signed by the land trust. Commission staff is outreaching to those land trusts applying in summer and fall 2020 to discuss their individual needs.

**Q. Stay-at-home orders have made it challenging to access the land trust records. My land trust is concerned that it does not have enough time to complete the application. Can my land trust have some more time?**

**A.** The Commission took unprecedented action and granted extensions for land trusts in the application process or soon to be.

- **2020 renewal round 2:** These land trusts were given a one-month application deadline extension (*from May 7 to June 10*).
- **2020 first-time:** These land trusts were given a two-month application deadline extension (*from June 2 to August 6*) and early access to the project documentation and targeted verification items.
- **2020 renewal round 3:** These land trusts were notified that registration would be opened one month early to allow early access to the pre-application and application.

For those land trusts facing challenges with accessing records, remote working situations, or other COVID-19 related impacts, the Commission can offer a little more time to complete the application. Commission staff is outreaching to those land trusts applying in summer and fall 2020 to discuss their individual needs.

**Q. When will additional decisions regarding accreditation processes impacted by COVID-19 be made?**

**A.** The Commission is listening to the land trust community and following the guidance from governmental and public health officials to ensure that we are making the best decisions. As

information on COVID-19 and its impact on the land trust community is evolving, we will continue to provide you with timely communications and updates. We will announce updates on our website and eNewsletter; we will also be in direct contact with land trusts via email if the information directly impacts their application.

[BACK TO INDEX](#)