

Organizational Checkup



Getting to Know You ...

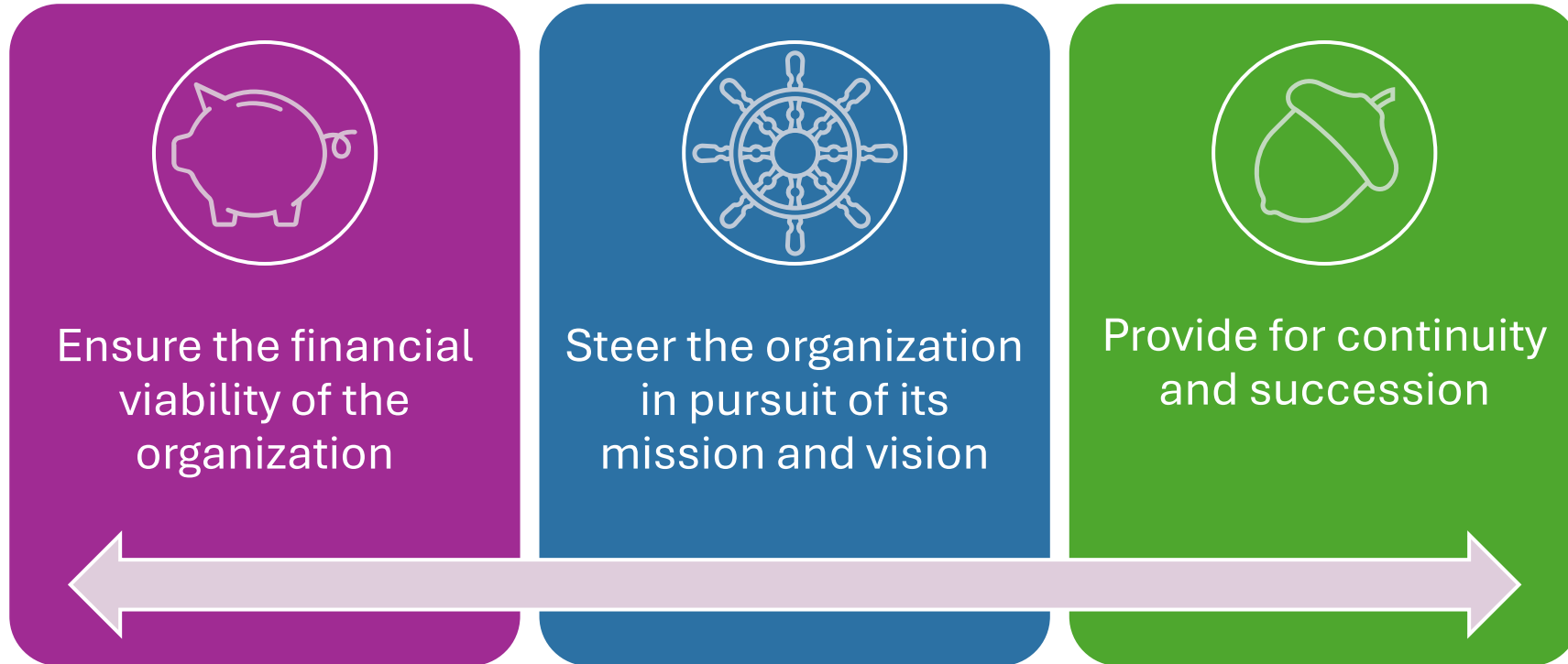


Learning Objectives

- Identify issues related to organizational risk management and sustainability
- Learn strategies for maintaining continuity of best practices throughout your organization including through operational procedures and guidance
- Discuss questions specific to hot-button areas and determine what to take back to your organization

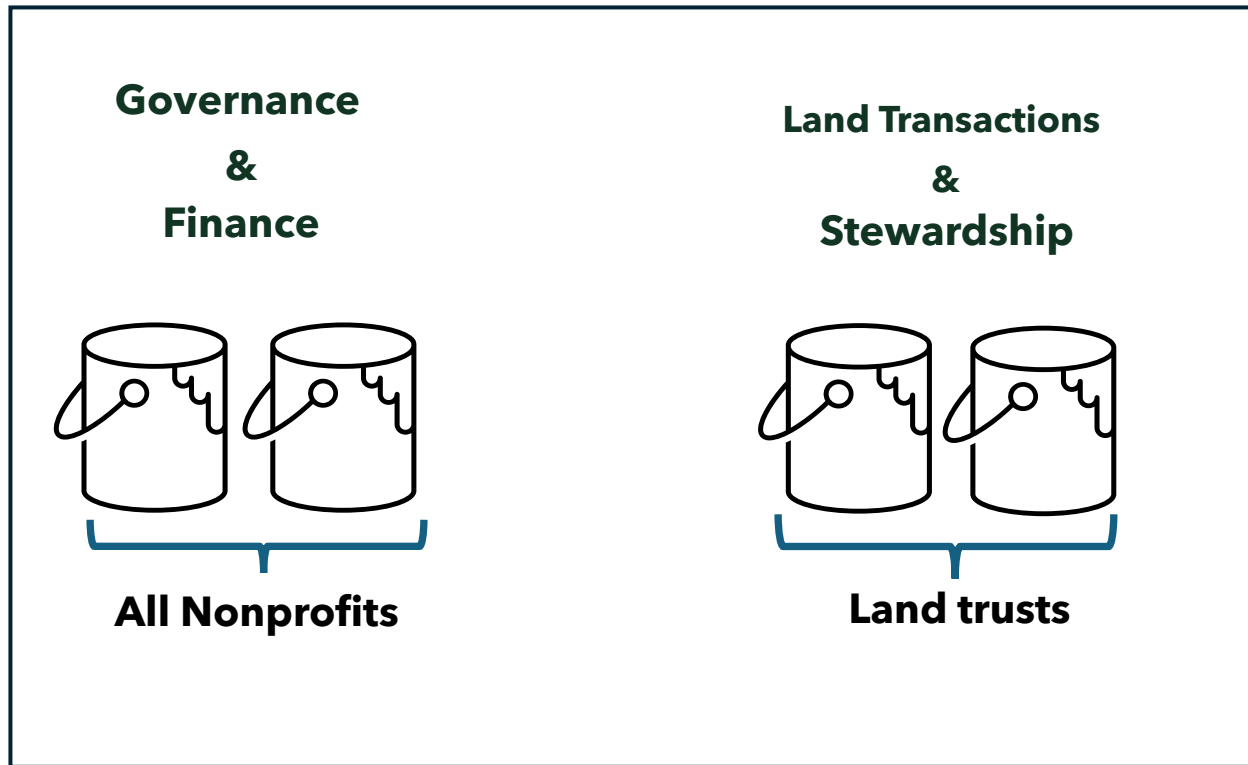


The Board's Role in Risk Management



Boards of small organizations are also personnel
– busy, but hands-on

Land Trust Standards and Practices & The Buckets



Other Resources

- Terrafirma [risk management tool](#) (robust instructional course and management format)
- Land Trust Alliance's [Conservation Resource Center](#), including Practical Pointers on Risk Management
- [Nonprofit Risk Management Center](#) LTA members free access to NRMC's eNews, Risk Management magazine, live webinars and recent webinar recordings
- [CLCC - Risk Management resources](#) on insurance and a deep dive

Defining Risk

Risk

- The threat or possibility that a future event or action may be substantially different from what is expected.
- Can be adverse – or beneficial



Risk Management

- A discipline for coping with uncertainty:
- Practical steps to reduce the likelihood of negative risks and increasing the ability to seize opportunities



Dimensions of Risk



Likelihood (More or Less Likely, More or Less Frequently)



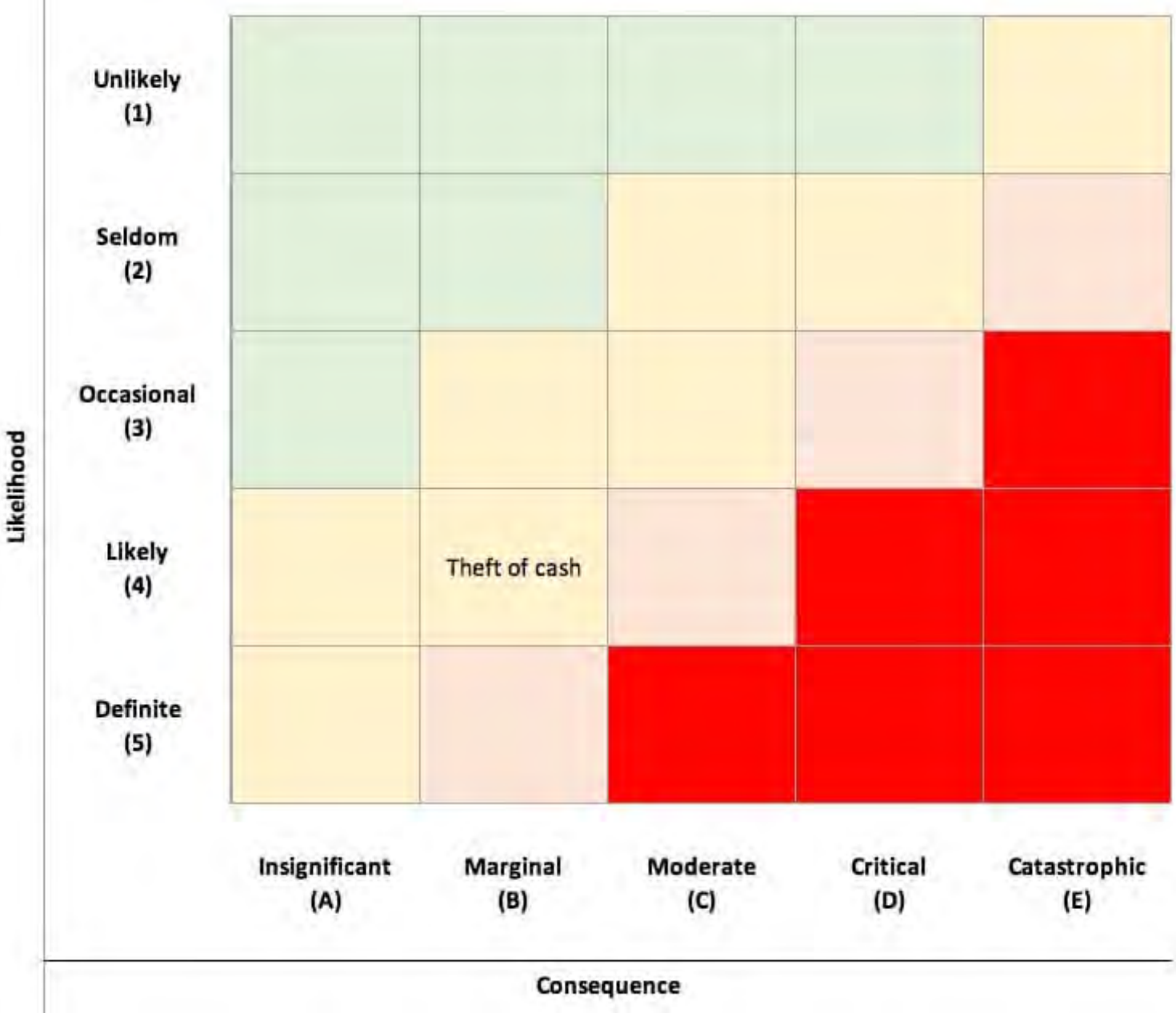
Magnitude (More or Less Impactful)



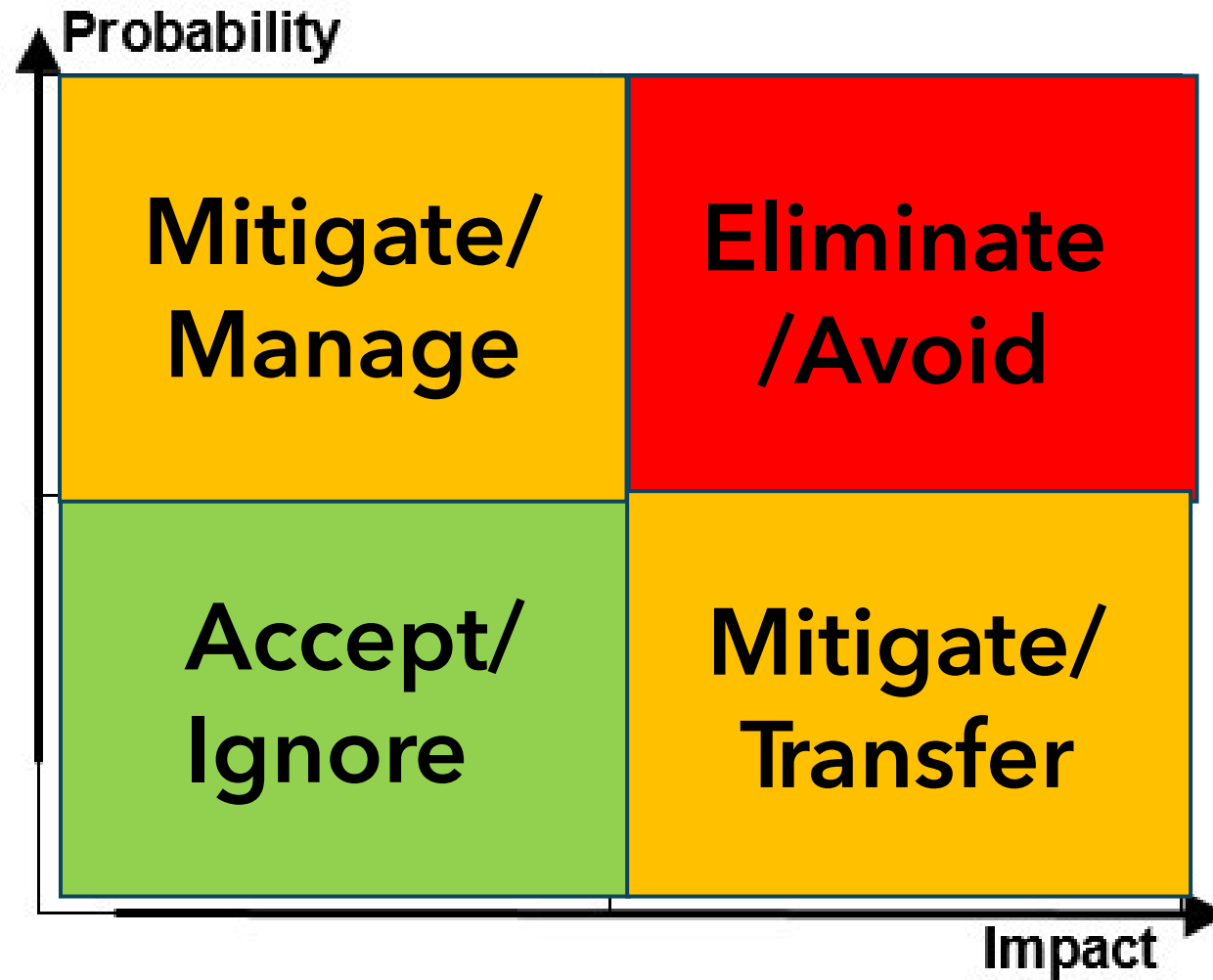
Direction (Good or Bad)

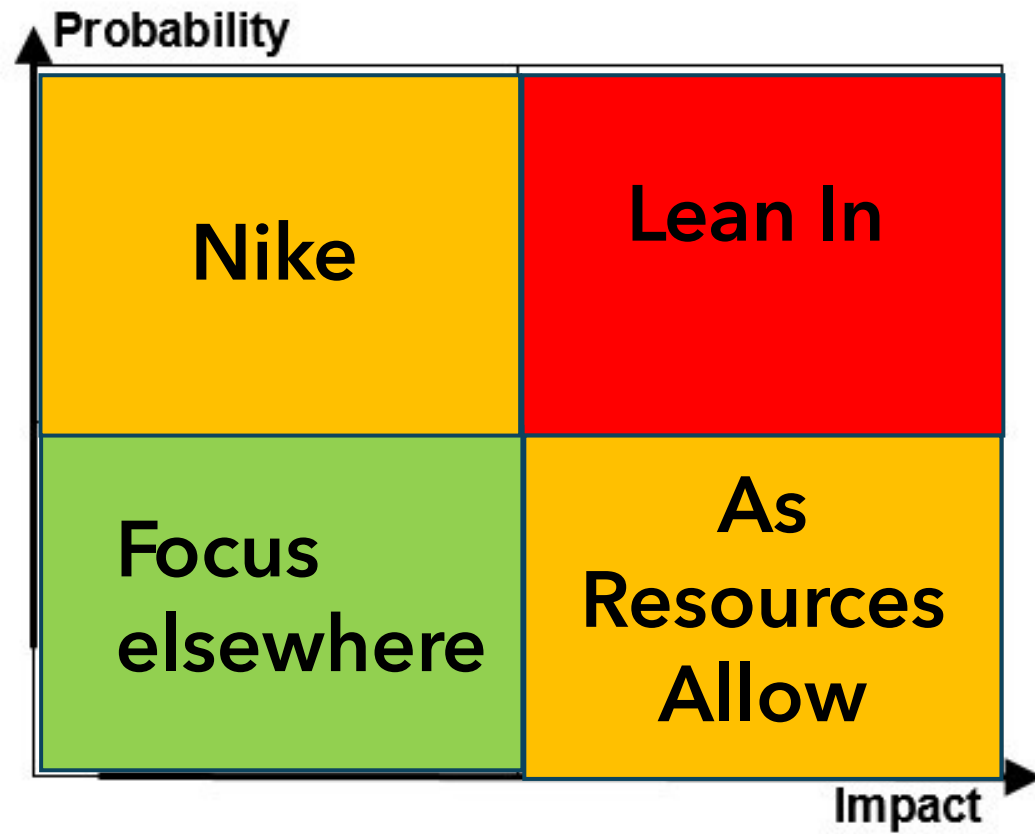
... all influenced by personal, organizational, situational
tolerance of different risks (more or less willing to accept risk)

Strategies For Risk Analysis: Heatmaps



Strategies for Risk Management





Other Lenses for Understanding Risk



OPERATIONAL



LEGAL AND
REGULATORY
ACCOUNTABILITY



REPUTATIONAL



CONSERVATION
PERMANENCE



LIABILITY /
SAFETY



Applying this to our work – Financial Risk

Financial Loss is a significant threat to perpetuity
Insurance as major strategy – transfer
unmitigated and high magnitude risk to a third
party

- General Liability & Umbrella
- Directors & Officers
- Property
- Title Insurance on Fee-Owned Properties
- Volunteer Accident
- Cyber Crimes
- Workers' comp, employment practices, unemployment
- Terrafirma Conservation Defense Insurance
- Non-owned auto

Financial Resources: Now and Future

Negative Risk – Disruption of Service

Positive Risk - Capacity

Strategies:

Fundraising & Sound Management

Board awareness through regular reporting

Board expertise & investment management

Budgeting and Planning (three-legged stool)

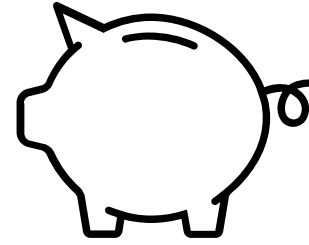
Reserves for Legal Defense and Stewardship

Reserves for Operating and other specific needs



Financial Controls:

- Checks & Balances, Redundancies
 - Income side
 - Expense side



Legal and Regulatory Concerns Risks to Organizational Status

Risks can be financial, but also existential:

- Corporate compliance: Annual filings
- Policies: Recordkeeping, Whistleblower
- Prohibited activities
 - Lobbying
 - Private inurement/impermissible private benefit
- Tax aspects of conservation donations and other charitable donations
- Employment-related: Classifications, filings





Risk of Loss to Conservation Properties

- Violations and Trespass/Encroachment
- Strategies through monitoring, recordkeeping, proactively developing relationships, addressing issues objectively and with procedure
- Ensuring sound transactions through careful project planning
- Risks can be financial, but also existential:
 - Changes to conservation values
 - Threats to Reputation
- What if we didn't have the opportunity to conserve a critical landscape or resources?



Personal Injury to:

Staff / Volunteers

Program Participants

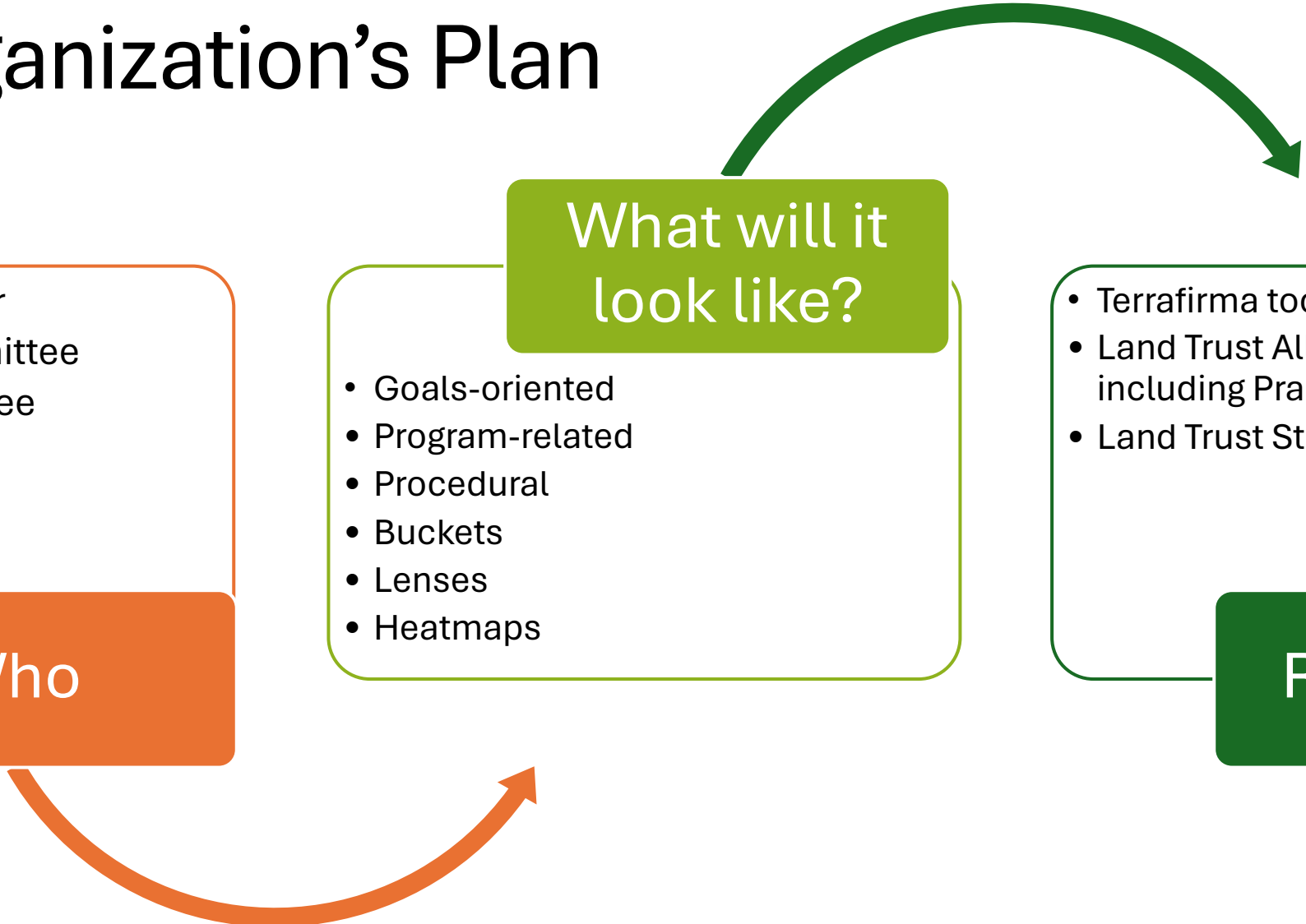
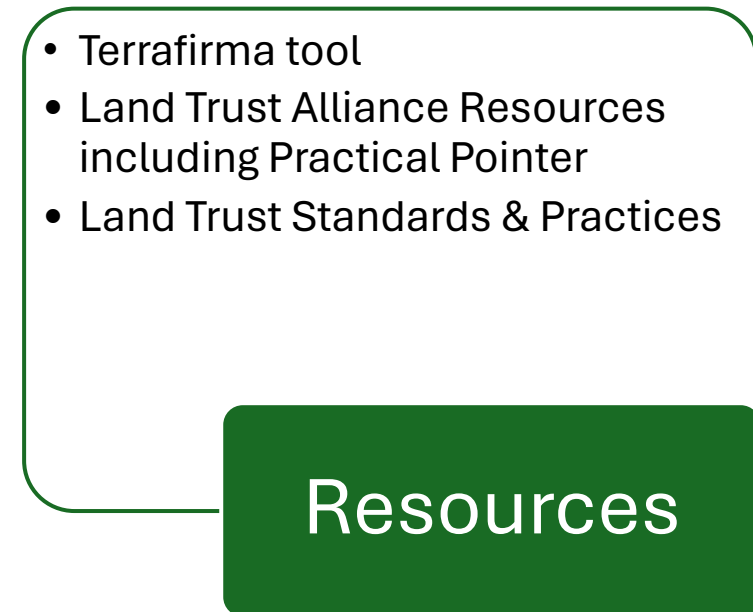
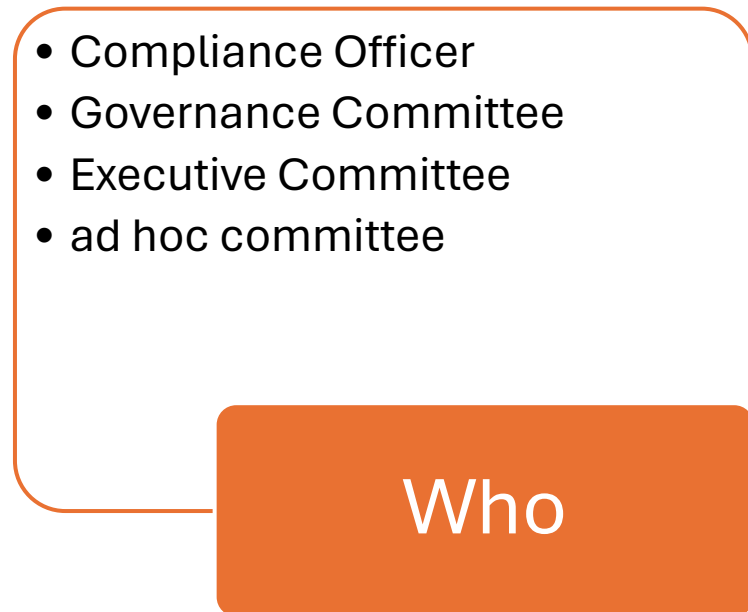
Visitors

- Avoid inherently risky things
- Planning
- Training
- Supervision
- Procedures
- Waiver?
- Design and monitoring of public areas

Succession and Continuity



Your Organization's Plan





Q&A & Takeaways

CONNECTICUT
Land Conservation Council

Thank You!

Please share your thoughts: Scan the QR codes below to fill out evaluations online for the 2024 Connecticut Land Conservation Conference



General Conference Evaluations



Workshop Evaluations