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Introduction

Land Trust Standards and Practices are the ethical and technical guidelines for the responsible operation of a land trust. The Land Trust Alliance drafted the first Standards in 1989 at the urging of land trusts and to affirm certain best practices as the surest way to secure lasting conservation. To maintain the land trust community's strength, credibility, and effectiveness, the Standards were updated in 1993, 2001, and 2004. In preparing the 2017 update, an advisory team, comprised of land trust professionals from across the country, reviewed and discussed more than 1,600 comments from conservationists throughout the United States. These many voices were an invaluable asset throughout the revision process.

While this document is a publication of the Land Trust Alliance, the Standards are a collective product of the land trust community. The advisory team was as diverse in perspective as the comments the team reviewed. Unanimity was not necessarily achieved on each standard or practice, but this document reflects the expressed values and recommendations of the overall land trust community.

The nation's more than 1,300 nonprofit land trusts conserved 56 million acres of wildlife habitat, farms, ranches, forests, watersheds, recreation areas, and other open spaces as of 2015. The continued success of land trusts depends on public confidence in—and support of—our community as we build conservation programs that stand the test of time. It is, therefore, every land trust's responsibility to uphold this public confidence and ensure the permanence of its conservation efforts. Implementing the Standards positions a land trust to achieve these goals and, if it so wishes, to seek insurance through TerraFirma and pursue accreditation through the Land Trust Accreditation Commission. (Accreditation indicator elements are marked with ●; TerraFirma enrollment prerequisites are denoted with □; and elements for both are marked ◻).

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. (See the Board Adoption Resolution on page 4.) It is important to note that while the Standards are thorough, they are not exhaustive. There will be times when the Standards do not make clear a land trust's best path forward. In these moments, the land trust's own Board of Directors' Adoption Resolution should exercise its best judgment as informed by the spirit of these Standards.

Land trusts are a respected and integral part of our nation's land conservation work. Together, we must support our peers and hold ourselves to the highest standards as we continue to conserve the places we need and love.

Standard 1: Ethics, Mission, and Community Engagement

The North Coast Land Conservancy maintains high ethical standards and has a mission committed to conservation, community service, and public benefit.

1) Ethics

- a) The North Coast Land Conservancy (NCLC or Land Trust) has adopted a written code of ethics and/or values statement and adhere to it in implementing the Land Trust's mission, in its governance, and in its operations. ([Appendix 1: NCLC Ethics Statement](#))
- b) NCLC has adopted a written whistleblower policy that protects individuals who come forward with information on illegal practices or unethical behavior. ([Appendix 2: NCLC Whistle Blower Protection Policy](#))
- c) NCLC does not knowingly participate in transactions that are potentially fraudulent or abusive. ●

2) Mission, Planning, and Evaluation

- a) NCLC has adopted a mission that advances conservation and serves the public interest. NCLC Mission: **HELPING CONSERVE OREGON'S COASTAL LANDS FOREVER**
- b) NCLC establishes strategic goals for implementing its mission, and then reviews and updates them, as needed, at least once every five years. ([Appendix 3: Mission Statement](#)) ●
- c) NCLC revisits its mission during the strategic review to confirm it is relevant. ([Appendix 4: NCLC External Engagement Process for Involving Non-NCLC Individuals and Entities in the Development and Implementation of NCLC's Strategic Plan](#))
- d) NCLC reviews and makes adjustments to programs and activities at least annually to ensure they are advancing strategic goals. ([Appendix 5: NCLC Board and Committee Annual Evaluation and Assessment](#))

3) Community Engagement

- a) NCLC develops an inclusive, welcoming organizational culture that respects diversity.
- b) NCLC seeks to engage people who are broadly representative of the community in which the Land Trust works and to foster opportunities to connect them with the land.
- c) NCLC develops an understanding of its community and communicates the Land Trust's work, services, and impact in a manner that resonates with and engages that community.

Standard 2: Compliance with Laws

The North Coast Land Conservancy fulfills its legal requirements as a nonprofit tax-exempt organization and complies with all laws.

- 1) Compliance with Laws
 - a) NCLC does not knowingly conduct operations in violation of law. ([Appendix 6: Compliance with Laws](#)) ■
- 2) Nonprofit incorporation and bylaws ([Appendix 7: Bylaws](#))
 - a) NCLC is incorporated according to the requirements of state law and maintains legal status. ☒
 - b) NCLC operates in accordance with established bylaws. ☒
 - c) NCLC reviews its Bylaws at least once every five years to ensure consistency with current operations, the articles of incorporation, and state law.
- 3) Federal Tax Exemption
 - a) NCLC maintains status as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code (IRC).
 - b) NCLC files a complete and accurate annual information return (Form 990 or equivalent) with the Internal Revenue Service (IRS). ☒
 - c) NCLC does not knowingly engage in prohibited activities, such as, private inurement or impermissible private benefit. ☒
 - d) NCLC complies with federal lobbying limitations and reporting requirements. ■
 - e) NCLC does not engage in political campaigns on behalf of or in opposition to any candidate for public office. ([Appendix 8: Public Policy](#); [Appendix 9: Advocacy Policy](#)) ■

Standard 3: Board Accountability

The North Coast Land Conservancy Board of Directors acts ethically in conducting the affairs of the organization and carries out its legal and financial responsibilities as required by law.

- 1) Board Responsibility
 - a) Individual NCLC Board members are informed of and understand their role and their responsibilities as nonprofit board members including their legal and fiduciary duties. ([Appendix 10: Basic responsibilities of the NCLC Board](#); [Appendix 11: Executive Constraint of President](#))
 - b) The NCLC Board provides oversight of the Land Trust's finances and operations by: ([Appendix 12: Financial Reports and Statements](#)) ●
 - i) reviewing and approving an annual budget; ●
 - ii) working to ensure that sufficient financial resources are available; ☒

- iii) receiving and reviewing financial reports and statements in a form and with a frequency appropriate for the scale of the Land Trust's financial activity; ●
 - iv) reviewing the externally prepared financial audit, review, or compilation ([Appendix 13: Financial Review or Audit](#)); ● and
 - v) adopting written policies or procedures for the responsible and prudent investment, management, and use of financial assets. ([Appendix 14: NCLC Brokerage Fund Investment Policy Statement](#))
 - c) The NCLC Board hires, oversees, and evaluates, at least annually, the performance of any executive director or chief staff person. ●
 - d) The NCLC Board may delegate decision-making and management functions to committees, provided that committees have clearly defined roles and report to the Board or staff. ([Appendix 7: Bylaws](#); [Appendix 15: Board and Committee Recruitment Process](#); [Appendix 16: Delegation of Decision-Making Authority](#))
- 2) Board Composition and Structure
- a) NCLC has a Board of Directors of sufficient size, skills, backgrounds, and experiences to conduct its work effectively. ([Appendix 7: Bylaws](#); [Appendix 17: Board Matrix](#)) ●
 - b) NCLC has a Board of Directors substantially composed of independent members to reduce risk arising from conflicts of interest. ([Appendix 18: Nepotism Policy](#))
 - c) NCLC has a Board of Directors development process that includes procedures for recruiting and training Board members. ([Appendix 19: New Board Member Recruitment, Selection, Invitation, and Orientation Process](#)) ●
 - d) The NCLC Board's Presiding Officer and Treasurer are not the same individual.
 - e) If a staff member serves on the NCLC Board, both the individual's staff role and the limitations of the individual's Board member role are clearly defined to ensure separation of duties and to avoid undue influence.
 - f) No staff member serves as the Board's Presiding Officer or Treasurer.
- 3) Board Governance
- a) NCLC provides Board members with written expectations for their service on the Board. ([Appendix 10: Basic Responsibilities of the NCLC Board](#))
 - b) The NCLC Board meets a minimum of three times per year and maintains adopted minutes of each meeting.
 - c) NCLC provides Board members with sufficient and timely informational materials prior to each meeting to make informed decisions.
 - d) NCLC Board members evaluate their performance annually as a group and as individuals at least every three years. ([Appendix 20: Board Self-Assessment](#))
 - e) The NCLC Board adopts procedures for removing Board members who are not fulfilling their responsibilities.
 - f) NCLC has governing documents that contain policies and procedures, such as, provisions for a quorum and adequate meeting notices. This encourages

broad participation and prevents a minority of Board members from acting for the Land Trust without proper delegation of authority. ([Appendix 21: Preventing Minority Rule](#))

- 4) Board Approval of Transactions
 - a) The NCLC Board reviews and approves every land and conservation easement transaction.
 - b) However, the Board may delegate decision-making authority on transactions if:
 - i) the Board establishes written policies or has provisions in the Bylaws that define the limits to the authority given to the delegated entity ([Appendix 7: Bylaws](#); [Appendix 16: Delegating Decision-Making Authority](#)); and
 - ii) The delegated entity provides timely notification in writing to the full Board of any completed transactions. ([Appendix 16: Delegation Decision-Making Authority](#))

Standard 4: Conflicts of Interest

The North Coast Land Conservancy has policies and procedures to avoid or manage real or perceived conflicts of interest.

- 1) Dealing with Conflicts of Interest
 - a) NCLC has adopted a written Conflict of Interest Policy that addresses, for all insiders, how conflicts are identified and avoided or managed. ([Appendix 22: Conflicts of Interest Policy](#)) ●
 - b) NCLC documents the disclosure and management of actual and potential conflicts. ●
 - c) When engaging in any transaction with an insider,
 - d) NCLC follows the Conflict-of-Interest Policy.
 - e) NCLC contemporaneously documents that there is no private inurement. ([Appendix 23: Transactions with Insiders Policy](#))
- 2) Payments to Board Members
 - a) NCLC does not financially compensate Board members for Board service, except for reimbursement of expenses. ([Appendix 24: Board Member Compensation Policy](#))
 - b) If, in limited circumstances, NCLC compensates a Board member for professional service that would otherwise be contracted out: ([Appendix 24: Board Member Compensation Policy](#))
 - i) NCLC documents the circumstances surrounding the decision to do so;
 - ii) NCLC documents how the Land Trust uses appropriate comparability data to determine the amount to be paid and to confirm that there is no private inurement; and,

- iii) NCLC does not compensate the Board's Presiding Officer or Treasurer for professional services.
 - c) NCLC does not provide loans to directors, officers, or trustees. ([Appendix 10: Basic Responsibilities of the NCLC Board](#))
- 3) Land and Conservation Easement Transactions with Insiders ([Appendix 23: Transactions with Insiders Policy](#))
 - a) When engaging in land and conservation easement transactions with insiders:
 - i) NCLC follows all transaction policies and procedures. ([Appendix 22: Conflicts of Interest Policy](#))
 - ii) For purchases from and sales of property to insiders, NCLC obtains an independent appraisal by a qualified appraiser to justify the purchase or sales price. ([Appendix 23: Transactions with Insiders Policy](#))

Standard 5: Fundraising

The North Coast Land Conservancy conducts fundraising activities in a lawful, ethical, and responsible manner.

- 1) Legal and Ethical Practices ([Appendix 25: Legal and Ethical Fundraising Practices](#))
 - a) NCLC conducts an analysis of state charitable solicitation laws and registers where the Land Trust determines it is appropriate.
 - b) NCLC does not compensate internal or external fundraisers based on a commission or a percentage of the amount raised.
- 2) Accountability to Donors ([Appendix 26: Accountability to Donors](#))
 - a) NCLC provides accurate solicitation materials and other communications to donors and the public. ([Appendix 27: Accurate Representations](#))
 - b) NCLC provides timely written acknowledgment of all gifts, including land and conservation easements, in keeping with IRS charitable contribution substantiation requirements. ([Appendix 26: Accountability to Donors](#)) ●
 - c) NCLC maintains financial and other systems to document and comply with any donor restrictions on gifts. ([Appendix 10: Basic Responsibilities of the NCLC Board](#)) ●
 - d) NCLC has a written policy or procedure to ensure donor privacy concerns are honored. ([Appendix 26: Accountability to Donors](#))
- 3) Fundraising Plan
 - a) NCLC has developed and implements a fundraising plan or program appropriate to the Land Trust's size and scope to secure adequate support for its activities. ([Appendix 28: Summary of NCLC Fundraising Plan](#))

Standard 6: Financial Oversight

The North Coast Land Conservancy manages its finances and assets in a responsible and accountable way.

1) Fiscal Health

([Appendix 29: Annual Budget and Fiscal Health](#))

- a) NCLC develops an annual budget that reflects the Land Trust's annual programs and activities.
- b) NCLC develops and implements a strategy to address any deficit-spending trends. ●
- c) NCLC assesses the nature and variability of revenue and seeks to diversify funding sources. ●
- d) NCLC builds and maintains sufficient operating reserves to sustain operations. ●
- e) NCLC builds and maintains dedicated or restricted funds sufficient to cover the long-term costs of stewarding and defending the Land Trust's land and conservation easements. ([Appendix 30 Easement Cost Estimate Procedure](#); [Appendix 31: Fee Land Calculation Policy](#)) ☒
- f) If funds are insufficient, NCLC adopts a plan to secure these funds and a policy committing the funds to this purpose. ([Appendix 32: Funds for Stewardship and Enforcement](#)) ☒

2) Financial Records

- a) NCLC keeps financial records in accordance with Generally Accepted Accounting Principles or Other Comprehensive Basis of Accounting. ([Appendix 33: Financial Records](#))

3) External Financial Evaluation

- a) NCLC obtains an annual financial audit, review, or compilation by an independent certified public accountant or a qualified accounting professional in a manner appropriate for the scale of the Land Trust. ●
- b) Audit reports and associated comments for management are distributed to all members of the NCLC Board, along with comments and/or plans for implementation by the Finance Committee.

4) Written Internal Controls

- a) NCLC has written internal controls and accounting procedures, including segregation of duties, in a form appropriate for the scale of the Land Trust, to prevent the misuse or loss of funds. ([Appendix 34: Fiscal Policies and Procedure Manual](#)) ●

5) Risk Management and Insurance

- a) NCLC routinely assesses and manages risks so that they do not jeopardize the Land Trust's financial health and its ability to carry out its mission and legal responsibilities.

- b) NCLC carries general liability, directors' and officers' liability, property, and other insurance—all as appropriate to the Land Trust's risk exposure or as required by law. ([Appendix 35: Incident/Injury Report Form](#); [Appendix 36: Liability Release Form](#))

Standard 7: Human Resources

The North Coast Land Conservancy has sufficient skilled personnel to carry out its programs, whether with volunteers, staff, and/or consultants/contractors.

- 1) Capacity
 - a) NCLC periodically evaluates whether the Land Trust has sufficient volunteers, staff, and/or consultants/contractors to achieve its strategic goals and carry out its programs. Capacity is added as needed.
- 2) Volunteers
 - a) NCLC provides volunteers with training, supervision, and recognition. ([Appendix 37: Volunteer Program Framework](#); [Appendix 38: Volunteer Coordinator Job Description](#))
- 3) Consultants or Contractors
 - a) NCLC clearly defines relationships with consultants or contractors, ensures they are consistent with federal and state law, and documents them in a written contract as appropriate. ([Appendix 39: Working with Consultants](#); [Appendix 40: Professional Services Agreement](#))
- 4) Transition Planning
 - a) NCLC has developed a written process or plan to provide for continuity in the leadership and management of the Land Trust's functions. ([Appendix 7: Bylaws](#))
- 5) Staff
 - a) NCLC has a written job description for each staff member. ([Appendix 41: Job Descriptions](#))
 - b) The Executive Director conducts a performance review of each staff member every six months. ([Appendix 42: Employee Performance Evaluations](#))
 - c) The NCLC Board reviews the performance of the Executive Director annually. ([Appendix 43: Executive Director Performance Evaluation](#))
 - d) NCLC documents the lines of authority, communication, and responsibility between Board and staff. ([Appendix 44: Board/Staff Lines of Authority](#))
 - e) NCLC ensures staff have appropriate training and experience for their responsibilities and/or opportunities to gain the necessary knowledge and skills.

- f) NCLC has adopted written personnel policies that conform to federal and state law. ([Appendix 45: Personnel Manual](#))
- g) NCLC provides fair and equitable compensation and benefits.

Standard 8: Evaluating and Selecting Conservation Projects

The North Coast Land Conservancy carefully evaluates and selects its conservation projects.

- 1) Strategic Conservation Planning
 - a) NCLC has identified specific conservation priorities consistent with the Land Trust’s mission and goals. ([Appendix 46: Service Area and Conservation Initiatives](#))
- 2) Project Selection Criteria and Public Benefit
 - a) NCLC has developed and implements a written process to select land and conservation easement projects. ([Appendix 47: Project Tracking Record](#))
 - b) NCLC develops and applies written project-selection criteria that are consistent with the Land Trust’s conservation priorities. ([Appendix 48: Project Selection Criteria](#)) ●
 - c) NCLC documents the public benefit of every land and conservation easement project. ([Appendix 49: Public Benefit of Transactions](#))
- 3) Project Evaluation
 - a) NCLC visually inspects properties before buying or accepting donations of conservation land or conservation easements to determine and document that:
 - i) there are important conservation values on the property; and ●
 - ii) the project meets the Land Trust’s project-selection criteria. ●([Appendix 50: Site Inspection Procedures](#))
 - b) NCLC evaluates potential threats to the conservation values on the property and structures the project to best protect those conservation values.
 - c) NCLC evaluates any current or potential risks associated with the project, including to the Land Trust’s reputation or to the land trust community. NCLC modifies or declines the project if the risks outweigh the benefits. ([Appendix 50: Site Inspection Procedures](#))
- 4) Project Planning
 - ([Appendix 51: Evaluating the Best Conservation Tool](#))
 - a) NCLC plans individually all land and conservation easement projects so that:
 - i) the Land Trust identifies the best available conservation strategy for the property;
 - ii) the property’s important conservation values are protected; and

- iii) the project furthers the Land Trust's mission and goals.
 - b) NCLC Assesses the stewardship implications of each project and the Land Trust's capacity to meet those obligations. ([Appendix 48: Project Selection Criteria](#))
- 5) Partnership Documentation
([Appendix 52: Partnership Documentation](#))
- a) When engaging in a partnership on a joint acquisition or long-term stewardship project or when co-holding conservation easements, NCLC creates written agreements to clarify:
 - i) the goals of the project;
 - ii) the roles and responsibilities of each party;
 - iii) legal and financial arrangements; and
 - iv) communications to the public and between parties.

Standard 9: Ensuring Sound Transactions

The North Coast Land Conservancy works diligently to see that every land and conservation easement transaction is legally, ethically, and technically sound.

- 1) Legal Review and Technical Expertise
 - a) NCLC obtains a legal review of every land and conservation easement transaction, appropriate to its complexity, by an attorney experienced in real estate law.
 - b) As dictated by the project, NCLC secures appropriate technical expertise, such as, in finance, real estate, tax, scientific, lands, and water management matters.
- 2) Legal and Financial Advice
 - a) NCLC does not give individualized legal, financial, or tax advice when providing transaction-related information. ([Appendix 53: Independent Legal Advice](#))
 - b) NCLC recommends in writing that each party to a land or conservation easement transaction obtain independent legal, financial, and tax advice.
- 3) Environmental Due Diligence
 - a) For every land and conservation easement transaction, NCLC conducts or obtains a preliminary environmental investigation, transaction screen, or Phase I assessment to identify whether there are any conditions that pose environmental risks and takes steps to address any significant concerns. ([Appendix 54: Environmental Hazards Assessment](#))
- 4) Determining Property Boundaries
 - a) NCLC determines both the legal description and the physical boundaries of each property or conservation easement.

- b) If a conservation easement contains restrictions or permitted rights that are specific to certain zones or areas within the property, NCLC includes the locations of these areas in the easement document so that they can be identified in the field. ●
- 5) Conservation Easement Drafting
- a) For every conservation easement, NCLC ●
 - i) individually tailors it to the specific property; ●
 - ii) identifies the conservation values being protected; ●
 - iii) allows only uses and permitted rights that are consistent with the conservation purposes and that will not significantly impair the protected conservation values. ●
 - iv) avoids restrictions and permitted rights that the Land Trust cannot monitor and enforce; ● and
 - v) includes all necessary and appropriate provisions to ensure it is legally enforceable. ●
 - b) NCLC reviews, on the Land Trust's own behalf, each potentially tax-deductible conservation easement for consistency with the Treasury Department regulations. ([U.S.C. §1.170A-14](#)), especially the conservation purposes test of IRC §170(h) ●
- 6) Title Investigation and Recording
- a) Prior to closing and preferably early in the process, NCLC has a title company or attorney investigate title for each property or conservation easement the Land Trust intends to acquire. ●
 - b) NCLC closes each fee title and conservation easement transaction through a title company to ensure the title is updated within 30 days of closing. ●
 - c) NCLC evaluates the title exceptions and documents how the Land Trust addressed mortgages, liens, severed mineral rights, and other encumbrances prior to closing so that they will not result in extinguishment of the conservation easement or significantly undermine the property's important conservation values. ●
 - d) NCLC promptly records land and conservation easement transaction documents at the appropriate records office. ●
- 7) Recordkeeping
([Appendix 55: Post-Closing Checklist for Land Acquisitions](#))
- a) NCLC has adopted a written records policy that governs how and when organization and transaction records are created, collected, retained, sorted, and destroyed. ([Appendix 56: Records Policy](#)) ☰
 - b) NCLC keeps originals of all documents essential to the defense of each real property transaction in a secure manner and protected from damage or loss. ●
 - c) NCLC creates and keeps copies of these documents in a manner such that both originals and copies are not destroyed in a single calamity. ●
- 8) Purchasing Land or Conservation Easements

- a) When buying land, conservation easements, or other real property interests, NCLC obtains an independent appraisal to support the purchase price. The appraisal must be conducted by a qualified appraiser in advance of closing. ●
 - b) However, a letter of opinion from a qualified real estate professional may be obtained in the limited circumstances when: ●
 - i) a property has a very low economic value; ●
 - ii) a full appraisal is not feasible before a public auction; ● or
 - iii) the amount paid is significantly below market value. ●
 - c) In limited circumstances where acquiring land, conservation easements, or other real property interests above the appraised value is warranted, NCLC contemporaneously documents: ●
 - i) the justification for the purchase price; ● and
 - ii) that there is no private inurement or impermissible private benefit. ●
- 9) Selling or Transferring Land or Conservation Easements
 ([Appendix 57: Marketable Assets Policy](#))
- a) When selling land, conservation easements, or other real property interests, NCLC establishes protections as appropriate to the property.
 - b) If the sale is to a party other than another tax-exempt organization or public agency, NCLC obtains an independent appraisal by a qualified appraiser or a letter of opinion from a qualified real estate professional to determine the value of the asset and to support the selling price.
 - c) NCLC selects buyers in a manner that avoids any appearance of impropriety.
 - d) When selling or transferring conservation land or conservation easements to another tax-exempt organization or public agency, NCLC considers whether the new holder can fulfill the long-term stewardship and enforcement responsibilities.

Standard 10: Tax Benefits and Appraisals

The North Coast Land Conservancy works diligently to see that every charitable gift of land or conservation easement meets federal and state tax law requirements, to avoid fraudulent or abusive transactions, and to uphold public confidence in land conservation.

- 1) Landowner Notification
 - a) NCLC informs potential land or conservation easement donors who may claim a federal or state income tax deduction (or state tax credit), in writing and early in project discussions, that: ●
 - i) the project must meet the requirement of IRC§170 and the accompanying Treasury Department regulations and any other federal or state requirements; ●

- ii) the donor is responsible for any determination of the value of the donation; ●
 - iii) the Treasury Department regulations require the donor to obtain a qualified appraisal prepared by a qualified appraiser for gifts of property valued at more than \$5,000.00; ●
 - iv) prior to making the decision to sign IRS Form 8283, the Land Trust will request a copy of the completed appraisal; ● and
 - v) the Land Trust is not providing individualized legal or tax advice. ●
- b) NCLC does not make assurances as to:
- i) whether a particular land or conservation easement donation will be deductible;
 - ii) what monetary value of the gift the IRS and/or state will accept; and
 - iii) what the resulting tax benefits of the deduction or credit will be, if any.
- 2) Legal Requirements: Land Trust Responsibilities
- a) NCLC meets the requirements for a qualified organization under IRC§170(h) to hold federally tax-deductible conservation easements.
 - b) NCLC signs Form 8283 only if the information in Section B, Part B, Part I, “Information on Donated Property,” is complete and is an accurate representation of the gift. ●
 - i) NCLC refuses to sign Form 8283 if the Land Trust believes no gift has been made or the property has not been accurately described. ●
 - c) NCLC files IRS Form 8282 when conveying a donated real property interest within three years of the date the Land Trust received the property.
- 3) Avoiding Fraudulent or Abusive Transactions
- a) NCLC reviews, on the Land Trust’s own behalf, each transaction for consistency with federal and state income tax deduction or credit requirements.
 - b) NCLC evaluates Form 8283 and any appraisal to determine whether the Land Trust has substantial concerns about the appraised value or the appraisal. ●
 - c) NCLC discusses substantial concerns about the appraisal, the appraised value, or other terms of the transaction with legal counsel and takes appropriate action, such as: ●
 - i) documenting that the Land Trust has shared those concerns with the donor; ●
 - ii) seeking additional substantiation of value; ●
 - iii) withdrawing from the transaction prior to closing; ● or
 - iv) refusing to sign Form 8283. ●
 - v) When engaging in transactions with pass-through entities of unrelated parties particularly those offered or assembled by a third party or described as a syndication by the IRS,
 - (1) NCLC requires a copy of the appraisal prior to closing; and
 - (2) NCLC declines to participate in the transaction if the appraisal indicates an increase in value of more than 2.5 times the basis in the property within 36 months of the pass-through entity’s

acquisition of the property, the value of the donation is \$1 million or greater, and the terms of the transaction do not satisfy the Land Trust Alliance Tax Shelter Advisory.

Standard 11: Conservation Easement Stewardship

The North Coast Land Conservancy has a program of responsible stewardship for its conservation easements.

- 1) Funding Conservation Easement Stewardship
 - a) NCLC estimates the long-term stewardship and enforcement expenses of each conservation easement transaction. ([Appendix 58: Easement Stewardship Funding Policy](#))
 - b) NCLC tracks stewardship and enforcement costs within its annual conservation easement monitoring reports.

- 2) Baseline Documentation Report
 - a) For each conservation easement, NCLC has a baseline documentation report, with written descriptions, maps, and photographs, that document:
 - i) the conservation values protected by the easement; ● and
 - ii) the relevant conditions of the property as necessary to monitor and enforce the easement. ([Appendix 59: Baseline Documentation Procedures and Outline](#)) ●
 - b) NCLC prepares the report prior to closing and has it signed by the landowner and Land Trust at or prior to closing. ●
 - i) In the event that seasonal conditions prevent the completion of a full baseline documentation report by closing, the landowner and Land Trust sign a schedule for finalizing the full report and an acknowledgement of interim data <that for donations and bargain sales meets Treasury Regulation §1.170A-14(g)(5)(i)> at closing. ●
 - c) When there are significant changes to the land or the conservation easement (such as, a result of an amendment or the exercise of a permitted right), NCLC documents those changes in an appropriate manner, such as, through monitoring reports, a baseline supplement, or current conditions report.

- 3) Conservation Easement Monitoring
 - a) NCLC has a written policy and/or procedure for monitoring conservation easements that establishes consistent monitoring protocols and recordkeeping procedures. ([Appendix 60: Monitoring Policy](#); [Appendix 61: Conservation Easement Compliance Monitoring Report](#); [Appendix 62: Site Photo Data Sheet](#)) ●
 - b) NCLC monitors each conservation easement property at least once per calendar year. ☒

- i) If NCLC uses aerial monitoring, on-the-ground monitoring is conducted at least once every five years. ☒
 - ii) NCLC documents the annual monitoring activities for each conservation easement. ☒
- 4) Landowner Relationships
 - a) NCLC maintains regular contact with owners of conservation easement properties to maintain relationships and avoid potential easement conflicts.
 - b) NCLC establishes systems to track changes in land ownership.
 - c) When the property changes hands, NCLC attempts to meet with the new owner or property manager and provide information in writing about the conservation easement and the Land Trust's stewardship policies and procedures.
- 5) Conservation Easement Enforcement
 - a) NCLC has a written policy and procedures for documenting and responding to potential conservation easement violations. ([Appendix 63: Conservation Easement Violation Prevention and Response](#)) ●
 - b) NCLC investigates potential violations in a timely manner and promptly documents all actions taken. ●
 - c) NCLC involves legal counsel as appropriate to the severity of the violation and the nature of the proposed resolution.
- 6) Approvals and Permitted Rights
 - a) NCLC responds to landowner required notices or requests for interpretation or approvals in a timely and consistent manner, as specified in the conservation easement deed or in a written procedure.
 - b) NCLC establishes written procedures to guide the Land Trust's decision-making if using discretionary approvals or if conservation easement deeds contain such clauses. ([Appendix 64: Conservation Easement Landowner Request Considerations](#))
 - c) NCLC maintains a permanent record of all notices, approvals, denials, interpretations, and the exercise of any significant permitted rights. ●
- 7) Contingency Strategy
 - a) NCLC takes reasonable steps to provide for the disposition of conservation easements in the event the Land Trust ceases to exist or can no longer steward and administer them.
- 8) Amendments
 - a) NCLC has adopted and follows a written policy or procedure addressing conservation easement amendments that is consistent with the Land Trust Alliance Amendment Principles. ([Appendix 65: Conservation Easement Amendment Policy](#)) ●
 - b) NCLC evaluates all conservation easement amendment proposals with due diligence sufficient to satisfy the Amendment Principles. ([Appendix 65: Conservation Easement Amendment Policy](#))

- c) If an amendment is used to adjust conservation easement boundaries (such as, to remedy disputes or encroachment) and results in a *de minimis* extinguishment, NCLC documents how the Land Trust's actions address the terms of J.1. below.
- 9) Condemnation
- a) If a conservation easement is threatened with condemnation,
 - i) NCLC takes steps to avoid or mitigate harm to conservation values and documents the actions taken;
 - ii) NCLC has or obtains appropriate documentation of the percentage of the full value of the property represented by the conservation easement; and
 - iii) NCLC documents the Land Trust's attempts to receive its proportional share of the proceeds and uses any proceeds in a manner consistent with the conservation easement deed.
- 10) Partial or Full Extinguishment
- a) In the rare case that it is necessary to extinguish a conservation easement, in whole or in part,
 - i) NCLC follows the terms of the conservation easement with respect to taking appropriate action, and obtains judicial or regulatory review when required by law or specified in the easement deed;
 - ii) NCLC ensures there is no private inurement or impermissible private benefit;
 - iii) NCLC takes steps to avoid or mitigate harm to conservation values and/or uses any proceeds in a manner consistent with the conservation easement deed; and
 - iv) NCLC considers the Land Trust's actions in the context of its reputation and the impact on the land conservation community at large.

Standard 12: Fee Land Stewardship

The North Coast Land Conservancy has a program of responsible stewardship for the land held in fee for conservation purposes.

- 1) Funding Land Stewardship
 - a) NCLC determines the immediate financial and management implications of each conservation property acquisition and estimates the long-term implications. ([Appendix 31: Fee Land Calculation Policy](#))
 - b) NCLC anticipates and tracks costs associated with long-term land management, stewardship and enforcement of conservation properties.
- 2) Land Management and Stewardship ([Appendix 67: Stewardship Policy](#))

- a) NCLC develops a written land management plan for each conservation property within 12 months after acquiring the land to: ([Appendix 68: Management Plan Template](#)) ●
 - i) identify the property's conservation values, including any significant cultural and natural features or those that have significant community value; ●
 - ii) identify the overall management goals for the property; ●
 - iii) identify activities to achieve the goals and to reduce any risks or threats to the conservation values; ●
 - iv) specify the uses that are appropriate for the property in keeping with the property's conservation values, any restrictions, and donor or funder requirements; ● and
 - v) provide public access opportunities as appropriate to the property and the Land Trust's mission.
 - b) NCLC manages each conservation property in accordance with its management plan, and reviews and updates the plan as necessary.
 - c) NCLC Performs administrative duties (such as, paying insurance, filing required forms, keeping records) in a timely and responsible manner.
 - d) NCLC maintains the property in a manner that retains the Land Trust's public credibility, manages community expectations, and minimizes risk.
- 3) Inspecting Land Trust Properties
- a) NCLC determines the boundaries of Land Trust properties and physically marks them to the extent possible or necessary.
 - b) NCLC inspects properties at least once per calendar year for potential management problems and promptly documents the inspection. ([Appendix 69: Site Steward Monitoring Manual](#); [Appendix 70: Fee Land Monitoring Report](#)) ●
 - c) NCLC addresses management problems, including encroachments, trespass, and other ownership challenges, in an appropriate and timely manner and documents the actions taken. ●
- 4) Contingency Strategy
- a) NCLC takes reasonable steps to provide for the continuing protection of conservation properties in the event the Land Trust ceases to exist or can no longer own or manage them.
- 5) Condemnation
- a) If a conservation property is threatened with condemnation, NCLC takes steps to avoid or mitigate harm to conservation values and documents the actions taken.

Definitions of Key Terms

Amendment Principles: An amendment should meet all of the following:

1. clearly serve the public interest and be consistent with the Land Trust's mission;
2. comply with all applicable federal, state, and local laws;
3. not jeopardize the Land Trust's tax-exempt status or status as a charitable organization under federal law;
4. not result in private inurement or confer impermissible private benefit;
5. be consistent with the conservation purposes(s) and intent of the easement
6. be consistent with the documented intent of the donor, grantor, and any funding source; and
7. have a net beneficial or neutral effect on the relevant conservation values protected by the easement.

Capacity: The ability to perform all the actions required to acquire and manage conservation land and manage other programs by having adequate human and financial resources and organizational systems in place.

Conflict of Interest: A conflict of interest arises when a person in a position of authority in an organization, such as, a director, officer, manager, or other "insider," is in a position or perceived to be in a position to be able to benefit personally (or to create a benefit to a family member or other organization with which he or she is associated) from a decision he or she could make.

Conservation Values: The key values on a site that are the focus of protection efforts. Important conservation values are determined during property evaluation and project planning.

Form 990: Most tax-exempt organizations are required to file an annual return with the IRS. Which form of Form 990 (Form 990-N, Form 990-EZ, or full Form 990) a land trust must file depends on its financial activities.

GAAP: The Federal Accounting Standards Board (FASB) issues Generally Accepted Accounting Principles (GAAP). FASB's guidance for nonprofit organizations can be found in ASU2016-14, Not-for-Profit Entities (Topic 958): "Presentation of Financial Statements of Not-for-Profit Entities."

Impermissible Private Benefit: An impermissible private benefit occurs when a tax-exempt organization provides more than an "incidental" benefit to a non-insider.

Independent Appraisal: An independent appraisal is prepared in compliance with the Uniform Standards of Professional Appraisal Practice by a state-licensed

or state-certified appraiser who has verifiable conservation easement or conservation real estate experience.

Independent Board Member: Per the Independent Sector, independent Board members should not:

1. be compensated by the organization as employees or independent contractors;
2. have their compensation determined by individuals who are compensated by the organization;
3. receive, directly or indirectly, material financial benefits from the organization except as a member of the charitable class served by the organization; or
4. be related to anyone described above (as a spouse, sibling, parent, or child) or reside with any person so described.

Insiders: Insiders are Board and staff members, substantial contributors, parties related to the above, those who have an ability to influence decisions of the organization, and those with access to information not available to the general public. The IRS generally considers “insiders” or disqualified persons under IRC Section 4958 to be persons who, at any time during the five-year period ending on the date of the transaction in question, were in a position to exercise substantial influence over the affairs of the organization. “Insiders” generally include Board members, key staff, substantial contributors <IRC Section 507(d)(2)>, parties related to the above, and 35-percent controlled entities. While these are strict definitions within the tax code, land trusts are advised to take an even more proactive approach to the potential damage that conflicts of interest may cause an organization and also include in the definition of “insiders” all staff members and those with access to information not available to the general public (such as, certain volunteers). “Related parties” is defined by the IRS to include spouse, brothers and sisters, spouses of brothers and sisters, ancestors, children, grandchildren, great-grandchildren and spouses of children, grandchildren, and great-grandchildren.

IRC: Internal Revenue Code

Land Trust: A nonprofit organization that, as all or part of its mission, actively works to conserve land by acquiring land or conservation easements (or assisting with their acquisition) and/or stewarding/managing land or conservation easements.

Letter of Opinion: A letter of opinion is a written estimation of a property’s value, most often prepared by a qualified real estate professional. A letter of opinion may be used instead of an independent appraisal prepared by a qualified appraiser when the economic value of the property is so low as to negate concerns about private inurement or private benefit, when a full appraisal is not feasible before a public auction, or when the amount paid is significantly below

the market value of the property. (A letter of opinion is not sufficient in the case of transactions with insiders.) An appraiser may call this document a Restricted Use Appraisal Report.

OCBOA: Other Comprehensive Basis of Accounting is the term used for a comprehensive basis of accounting other than Generally Accepted Accounting Principles (GAAP).

Pass-Through Entity: Pass-through entities include sole proprietorships, partnerships, LLCs, and S-Corporations. Unlike traditional C-Corporations, pass-through entities do not pay income tax. Instead, income, losses, and deductions pass through to the shareholders in proportion to their ownership interest. For purposes of the Standards, sole proprietorships consisting by definition of only one person are not included in this definition.

Phase I Assessment: A Phase 1 Assessment is a formal investigation conducted by a qualified environmental consultant or engineer into the presence or absence of hazardous materials on or near a property that satisfies the “all appropriate inquiries” rule of the Environmental Protection Agency.

Policy: A policy is a written, Board-adopted document specifying a course of action to guide and determine present and future decisions.

Private Inurement: Private inurement occurs when the net earnings of a tax-exempt organization come to the benefit of any private shareholder or individual. Federal tax-exempt law requires that “no part of a tax-exempt organization’s net earnings may inure to the benefit of any private shareholder or individual.” Private inurement occurs when an action in which a person who is an insider to the tax-exempt organization, such as, a director or an officer, derives a benefit from the organization without giving something of at least equal value in return. The IRS prohibition on inurement is absolute. The IRS also imposes penalties on directors, officers, key employees, and other insiders who engage in transactions that confer an excess benefit on the individual. (“excess benefit transactions”).

Tax Shelter Advisory: Tax shelter advisory refers to the advisory first issued in 2015 by the Land Trust Alliance on the possibility of tax shelters using conservation for potentially abusive federal income tax deductions. This advisory includes recommendations to maintain public confidence and cautionary measures land trusts should take to avoid tax shelter transactions.

www.lta.org/tax-shelter-advisory

APPENDICES

Appendix 1: Ethics Statement

1) Personal and Professional Integrity

All staff, board members, and volunteers of NCLC act with honesty, integrity, and openness in all their dealings as representatives of the organization. The organization promotes a working environment that values respect, fairness, and integrity.

2) Mission

The North Coast Land Conservancy's mission is "to serve as a resource for northwest Oregon coastal communities and landowners to conserve and protect land in perpetuity for its ecological and cultural values." All of NCLC's programs support our mission. It is expected that those who work for or on behalf of NCLC understand and are loyal to the land trust's mission and purpose.

3) Governance

NCLC has an active governing body that is responsible for setting the strategic direction of the organization and oversight of the finances, operations, and policies of the organization. The NCLC Board of Directors:

- a) Ensures that its board members have the requisite skills and experience to carry out their duties and that all members understand and fulfill their governance duties acting for the benefit of NCLC and its public purpose;
- b) Has a conflict-of-interest policy that ensures that any conflicts of interest or the appearance thereof are avoided or appropriately managed through disclosure, recusal or other means;
- c) Is responsible for the hiring, firing, and regular review of the performance of the Executive Director, and ensures that the compensation of the Executive Director is reasonable and appropriate;
- d) Ensures that the Executive Director and appropriate staff provide the board of directors with timely and comprehensive information so that the NCLC board can effectively carry out its duties;
- e) Ensures that NCLC conducts all transactions and dealings with integrity and honesty;
- f) Ensures that NCLC promotes working relationships with board members, staff, volunteers, and program beneficiaries that are based on mutual respect, fairness and openness;
- g) Ensures that NCLC is fair and inclusive in its hiring and promotion policies and practices for all board, staff, and volunteer positions;
- h) Ensures that policies of NCLC are in writing, clearly articulated and officially adopted;
- i) Ensures that the resources of NCLC are responsibly and prudently managed; and
- j) Ensures that NCLC has the capacity to carry out its programs effectively.

4) Legal Compliance

NCLC is knowledgeable of and complies with all laws, regulations, and applicable international conventions.

5) Responsible Stewardship

NCLC and its subsidiaries manage their funds responsibly and prudently. This includes the following considerations:

- a) NCLC spends a major percentage of its annual budget on programs in pursuance of its mission;
- b) NCLC spends an adequate amount on administrative expenses to ensure effective accounting systems, internal controls, competent staff, and other expenditures critical to professional management;
- c) NCLC compensates staff, and any others who may receive compensation, reasonably and appropriately;
- d) NCLC allots reasonable fundraising costs, recognizing the variety of factors that affect fundraising costs;
- e) NCLC does not accumulate operating funds excessively;
- f) NCLC prudently draws from funds consistent with donor intent and to support the public purpose of the organization;
- g) NCLC ensures that all spending practices and policies are fair, reasonable and appropriate to fulfill the mission of the organization; and
- h) All of NCLC's financial reports are factually accurate and complete in all material respects.

6) Openness and Disclosure

NCLC provides comprehensive and timely information to the public, the media, and all stakeholders and is responsive in a timely manner to reasonable requests for information. All information about NCLC will fully and honestly reflect the policies and practices of the organization. Basic informational data about NCLC, such as the Form 990, reviews and compilations, and audited financial statements will be available to the public upon request. All solicitation materials accurately represent NCLC's policies and practices. All financial, organizational, and program reports will be complete and accurate in all material respects.

7) Program Evaluation

NCLC regularly reviews program effectiveness and has mechanisms to incorporate lessons learned into future programs.

8) Inclusiveness and Diversity

NCLC has a policy of promoting inclusiveness, and its staff, board, and volunteers reflect diversity in order to enrich its programmatic effectiveness. NCLC takes meaningful steps to promote inclusiveness in its hiring, retention, promotion, board recruitment, and constituencies served.

9) Fundraising

NCLC is truthful in its solicitation materials. NCLC respects the privacy concerns of individual donors and expends funds consistent with donor intent. NCLC discloses important and relevant information to potential donors. In raising funds from the public, NCLC will respect the rights of donors, as follows:

- a) To be informed of the mission of NCLC, the way the resources will be used, and NCLC's capacity to use donations effectively for their intended purposes;
- b) To be informed of the identity of those serving on NCLC's governing board and to expect the board to exercise prudent judgment in its stewardship responsibilities;
- c) To have access to NCLC's most recent financial reports;
- d) To be assured their gifts will be used for the purposes for which they were given;
- e) To receive appropriate acknowledgement and recognition;
- f) To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by the law;
- g) To be informed whether those seeking donations are volunteers, employees of the organization, or hired solicitors;
- h) To be notified and have the opportunity for their names to be deleted from mailing lists if NCLC considers sharing them; and,
- i) To feel free to ask questions when making a donation and to receive prompt, truthful, and forthright answer

10) Whistleblower Policy

NCLC requires its employees to observe high standards of business and personal ethics and act with honesty and integrity when conducting their duties and responsibilities on behalf of the Organization. As such, employees are required to disclose all illegal or unethical conduct that occurs in connection with the Organization's finances or other aspects of its operations. Procedures for reporting illegal or unethical conduct can be found in Appendix 2 *North Coast Land Conservancy's Whistleblower Protection Policy*.

Appendix 2: Whistleblower Protection Policy

1) Reporting Required

- a) North Coast Land Conservancy ("Organization") requires its employees to observe high standards of business and personal ethics and act with honesty and integrity when conducting their duties and responsibilities on behalf of the Organization. As such, employees are required to disclose all illegal or unethical conduct that occurs in connection with the Organization's finances or other aspects of its operations.
- b) All employees of the Organization must promptly report to either Executive Director, or Board President or other Executive Officers, any of

the following situations of which the employee becomes aware or has reason to believe may exist:

- i) violations of any applicable federal, state or local law or regulation;
- ii) violations of any material policy of the Organization, for example Declaration of Conflict of Interest
- iii) any questionable or improper matters regarding bookkeeping, accounting, internal accounting controls, or auditing matters; or
- iv) inappropriate handling or resolution of any complaint or matter previously reported under this Policy. Reports under this Policy will be taken seriously and investigated promptly. Appropriate corrective action, up to and including termination of employment, will be taken if warranted by the investigation into the reported conduct or for violations of this Policy.

2) Retaliation Prohibited

- a) No employee may take any action that is harmful to an employee, discharge, demote, suspend, threaten, harass or in any manner discriminate against an employee in the terms and conditions of employment because of any lawful act done by the employee:
 - i) to report any matter that the employee reasonably believes must be reported under this Policy;
 - ii) to participate in an investigation by a regulatory authority, law enforcement agency, member or committee of Congress, or any person with supervisory authority over the employee or who has the authority to investigate reports under this Policy;
 - iii) to report truthful information relating to any state or federal offense to a law enforcement officer; or
 - iv) to provide information, cause information to be provided, or otherwise assist in an investigation regarding any conduct that the employee reasonably believes constitutes a violation of applicable law or fraud, when the investigation is brought by a governmental, regulatory, or law enforcement agency, a member or committee of Congress, a person with supervisory authority over the employee, or such other person working for the Organization who has the authority to investigate, discover, or terminate improper conduct.
- b) Any employee who has reason to believe that he or she has been subject to retaliation for making a report or participating in an investigation under this Policy must immediately report such alleged retaliation in accordance with this Policy. Any employee who retaliates against another employee for making a report or participating in an investigation under this Policy will be subject to disciplinary action, up to and including termination of employment.

Adopted by the Board of Directors: April 10th 2015

Thomas S. Horning

Board Secretary

Appendix 3: Mission Development

1) Mission

- a) Helping conserve Oregon's coastal lands forever.
- b) The board reviews the mission every 5 years to assure that everything NCLC chooses to do grows from a clear mission statement that describes our public purpose, which in turn reflects our organization's vision and values.
- c) The North Coast Land Conservancy's Strategic Plan provides the organization with specific strategic goals and program plans to see that our mission is carried out. The Trust monitors its implementation of the strategic plan to guarantee that the goals are being reached and that the work plans are adequate. Issues related to the Strategic Plan are discussed during monthly board meetings. The board members and staff meet semi-annually for an internal review to determine their progress on the plan. At the annual NCLC retreat the organization evaluates its work and plans for the future.
- d) NCLC employs an external review and participation process to engage non-NCLC people and entities in strategic planning (See [Appendix 4: External Engagement Process for Involving Non-NCLC Individuals and Entities in the Development and Implementation of NCLC's Strategic Plan](#)). A new strategic plan is created once every three to five years. Please refer to NCLC's Strategic Plan for detailed descriptions of our conservation initiatives, fundraising strategies, forecasted budgets, management framework, and other important components of how the Trust plans to reach our goals during the coming years. (See [Appendix 5: NCLC Board and Committee Annual Evaluation and Assessment](#))

Appendix 4: External Engagement Process for Involving Non-NCLC Individuals and Entities in the Development and Implementation of NCLC's Strategic Plan

- 1) North Coast land Conservancy aims to be future-focused and inclusive with our strategic planning and strives for our planning to anticipate the community's future needs and involve key community stakeholders in providing input and direction. Involving key opinion leaders in the strategic

planning process prevents our organization from becoming too myopic and insular, and can create support and ownership in the outcomes and success of NCLC.

- 2) There are many different audiences NCLC could involve in the external engagement of its strategic planning process. Developing different levels of communication is a way to narrow our focus and create a process for selecting these audiences. Based on actual goals under consideration during the planning process, an evaluation of the partnerships, collaborations, and funding sources needed to achieve the goals, will illuminate who we will want to gain input from and potentially ownership in our final strategic plan. A tiered system that identifies (1) the goals of the communication and (2) the type of communication would allow NCLC to adapt the audiences during each strategic planning process, to maximize the quality of input. In each case, the goals themselves will greatly determine which groups/individuals are in which tier. An example of a tiered system is below.
- 3) Each staff director will evaluate the critical needs for achieving their program goals over the life of the plan, and make recommendations and decisions for a select few audiences who will be most critical to the ability to achieve success (i.e., funders, landowners, project partners, legislators etc.)

a) **Tier I**

Most sophisticated type of communication. Aimed at insightful input to NCLC strategic plan, asking for targeted advice and gaining perspective on large and/or complicated projects within the draft plan. This tier is reserved for true and genuine requests for advice and guidance towards goal and or objective setting. The process for selecting the audiences will fall to the program directors. Most often this would include sophisticated groups or individual representatives of these groups: agencies, county commissioners or city officials, active partners, but identified groups are adaptable to issues in the draft plan.

i) **INCLUDES:**

- (1) 1 on 1 meetings most often, occasionally group discussion
- (2) Targeted handouts and materials

ii) **TIMING:**

During creation. These contacts would be made very early on in the planning process, as they will likely shape the goal setting.

b) **Tier II**

Aimed at disseminating information about NCLC's draft plan to sophisticated groups, sharing the goals that we have already set, looking for general buying and feedback. Most often this audience will be local groups in targeted areas, would including but not limited to civic groups like Rotary, Chamber of Commerce and business associations, and a variety of natural resource groups.

i) **INCLUDES:**

- (1) Group workshops
- (2) Targeted handouts and materials

ii) **TIMING:**

Shortly after a complete draft of the Strategic Plan has been created

c) **Tier III**

Aimed at getting information about NCLC out into the broad community as an outreach and communications strategy. The goal in this tier of communication is to share our final strategic plan and allow for feedback. This would allow interested parties and supporters to explore our strategic plan early on and become engaged with our work for the years to come.

i) **INCLUDES:**

- (1) Public open house
- (2) E-blast newsletter

ii) **MATERIALS:**

- (1) General handouts
- (2) Simple on-line surveys

iii) **TIMING:**

Upon completion of the strategic plan

Appendix 5: NCLC Board and Committee Annual Evaluation and Assessment

<p><u>What Is Working?</u></p>	<p><u>What Are We Going to Start Doing?</u></p>
<p><u>What Is Not Working?</u></p>	<p><u>What Are We Going to Stop Doing?</u></p>

Appendix 6: Compliance with Laws

- 1) There are many laws that govern the activities of land trusts. The most basic of these are:
 - a) filing and operating requirements for nonprofit and tax-exempt organizations,
 - b) charitable solicitation laws, and
 - c) labor laws.

Below are descriptions of some of the tasks NCLC must complete each year to comply with the law.

2) Federal Tax Returns

- a) Although NCLC is exempt from federal income tax, we must file yearly financial information returns with the IRS. Filing requirements depend on NCLC's annual income and end of year assets. As a larger organization, NCLC must file Form 990 and several associated schedules, generally including at least Schedule A (Public Charity Status and Public Support) and Schedule B (Schedule of Contributors).
- b) These forms must be filed by the 15th day of the fifth month after the end of the land trust's annual accounting period. NCLC's fiscal year ends September 30. Therefore, the 990 Return is due on February 15th of the year following the end of the fiscal year.
- c) The land trust must file Form 990-T, "Unrelated Business Income", if it had more than \$1,000 in income from business activities unrelated to its exempt purpose.

3) IRS Disclosure Requirements

- a) NCLC is required by law to make specific tax exemption and return information available for public inspection and to provide copies on site or by mail upon request. This information includes:
 - i) A copy of our annual information returns on Form 990, including Schedule A and salary information but not including Form 990T.
 - ii) A copy of our application for tax exemption on Form 1023
 - iii) A copy of our IRS determination letter (the Internal Revenue Service's response to our tax-exempt application)

4) State and Local Filings

- a) Every year, NCLC must file Form CT-12, accompanied by a copy of the federal Form 990, with the Oregon Department of Justice. The return is accompanied by a fee based on revenue and assets. Other filings currently include:
 - i) **Corporate filing fee paid annually to the Oregon Corporation Division.**
 - ii) **State and local property taxes on realty and personal property.**
 - (1) The land trust may be ruled exempt from certain property taxes, but it must make all required payments.
 - iii) **Excise taxes.**

- (1) Special taxes may be levied on gasoline, telephone service, admissions to events, etc., at the federal, state or local level. Land trusts may or may not be exempt from these taxes.

iv) **Payroll/Employment Requirements**

The following required filings are related to NCLC's employees:

- (1) Federal income tax withholding
 - (2) Social Security (FICA) and Medicare tax and withholding
 - (3) State income tax withholding
 - (4) State unemployment taxes
 - (5) State disability benefits taxes (workers' compensation)
- b) NCLC is exempt from paying federal unemployment insurance (FUTA), but must file all other quarterly and annual payroll tax returns required by the state and federal governments.

5) **Other Requirements**

- a) The land trust must comply with federal regulations regarding information reporting, including preparation and filing of Form 1099-MISC whenever payments to certain individuals and other entities exceed \$600 in a calendar year. Form 1099-INT may be required when \$10 or more of interest is paid annually.

Appendix 7: Bylaws of the North Coast Land Conservancy

ARTICLE I: PURPOSE

This corporation shall be organized and operated exclusively for charitable, scientific and educational purposes. Subject to the limitations stated in the Articles of Incorporation, the purposes of this corporation shall be to engage in any lawful activities, none of which are for profit, for which corporations may be organized under Chapter 65 of the Oregon Revised Statutes (or its corresponding future provisions) and Section 501 (c)(3) of the Internal Revenue Code of 1954 (or its corresponding future provisions).

The corporation's primary purposes are:

1. To hold and manage, for the benefit of the public, lands that constitute the natural and cultural heritage of the northern Oregon coast.
2. To acquire title to, or obtain conservation easements over, lands that form the habitat for wildlife, lands with plant communities peculiar to the northern Oregon coast, lands that were significant in the region's early settlement, areas of scenic beauty, and lands that provide opportunities for outdoor recreation.
3. To restore, maintain and enhance these lands for the benefit of the fauna and flora, the residents, and the visitors to the area.

ARTICLE II: NONMEMBERSHIP

This corporation shall have no members. Various classes of “friends” of the corporation’s purposes may be created by act of the Board of Directors, and these friends shall have no vote or other significant rights.

ARTICLE III: BOARD OF DIRECTORS

Section 1. Duties The affairs of the corporation will be managed by the Board of Directors.

Section 2. Number The number of Directors may vary between a minimum of five and a maximum of 15.

Section 3. Term and Election The term of office for Directors shall be three years. A Director may be reelected without limitation on the number of terms he or she may serve.

The Board shall elect its own members, except that a Director shall not vote on that member’s own position.

Each Director shall be a member of a class of Directors, each class consisting of not less than two and not more than five persons. To affect the classification of Directors upon adoption of these revised Bylaws, those Directors in office at that time shall assign themselves to classes, the first class to serve for one year, the second class to serve for two years, and the third class to serve for three years. Thereafter, one class shall be elected annually to hold office for a period of three years.

Section 4. Removal Any Director may be removed, with or without cause, by a vote of two-thirds of the Directors then in office.

Section 5. Vacancies Vacancies on the Board of Directors, and newly created Board positions, will be filled by a majority vote of the Directors entitled to take action at a meeting of the Board.

Section 6. Quorum and Action A quorum at a Board meeting shall be 50% of the number of Directors in office immediately before the meeting begins. If a quorum is present, action is taken by a majority vote of the Directors present, except as otherwise provided by these bylaws. Proxy voting is not permitted. Where the law requires a majority vote of the Directors in office to establish committees to exercise Board functions, to amend the Articles of Incorporation, to sell assets not in the regular course of business, to merge, or to dissolve, or for other matters, such action is taken by that majority as required by law.

Section 7. Board Meetings Regular meetings of the Board of Directors shall be held at the time and place to be determined by the Board of Directors. Special meetings shall be held whenever called by the President or by four Directors. Notice of such special meetings, describing the date, time, place and purpose of

the meeting, shall be delivered to each director personally, by telephone, e-mail, or by mail not less than two days prior to the special meeting.

Section 8. Meeting by Telecommunication Any regular or special meeting of the board of Directors may be held by telephone as long as all Directors can simultaneously hear each other during the meeting.

Section 9. No Salary

Directors shall not receive salaries for their Board service, but may be reimbursed for expenses related to Board services.

Section 10. Action by Consent

Any action to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all the Directors. The action shall be effective on the date on which the last signature is placed on the consent. The consent in writing may be in the form of signed e-mail messages to the President. Unanimous consent by the Board members is necessary for the action to be approved.

Section 11. Advisory Council

The Board of Directors may create an Advisory Council.

ARTICLE IV: COMMITTEES

Section 1. Executive Committee The Board of Directors may elect an Executive Committee to consist of the President, Vice President, Secretary and Treasurer of the corporation. The Executive Committee shall have the power to make on-going decisions between Board meetings on issues specifically delegated to the Executive Committee by the Board.

Section 2. Other Committees The Board of Directors may establish such other committees as it deems necessary and desirable. Such committees may exercise functions of the Board of Directors or may be advisory committees. Any committee that exercises any function of the Board of Directors shall be composed of two or more Directors elected by the Board of Directors by a majority vote of all Directors in office at that time.

Section 3. Quorum and Action A quorum at a committee meeting exercising Board functions shall be a majority of all committee members in office immediately before the meeting begins. If a quorum is present, action is taken by a majority vote of committee members present.

Section 4. Limitations on the Powers of Committees No committee may authorize payment of a dividend or any part of the income or profit of the corporation to its Directors or Officers; may approve dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the corporation's assets; may elect, appoint, or remove Directors or fill vacancies on the Board or any of its

committees; may adopt, amend or repeal Articles, Bylaws, or any resolution by the Board of Directors.

ARTICLE V: OFFICERS

Section 1. Titles The officers of this corporation shall be the President, Vice-President, Secretary and the Treasurer.

Section 2. Election The Board of Directors shall elect the officers, from among the Board of Directors, for one-year terms. An officer may be reelected without limitation on the number of terms the officer may serve. A vacancy of any office shall be filled not later than the second regular meeting of the Board of Directors following the vacancy.

Section 3. President The President shall be the chief officer of the corporation and shall act as Chair of the Board. The President shall sign, with the foreknowledge and consent of the Board, all instruments requiring the formality of execution and acknowledgement. The President shall have any other powers and duties as may be prescribed by the Board of Directors.

Section 4. Vice-President The Vice-President shall preside at all Executive Committee and Board meetings where the President is absent, and carry out the responsibilities of the President when the President is not available.

Section 5. Secretary The Secretary shall perform, or cause to be performed, the following duties: a.) official recording of the minutes of all Board of Director's meetings and actions; b.) provision for notice of all meetings of the Board of Directors; and c.) any other duties as may be prescribed by the Board of Directors.

Section 6. Treasurer The Treasurer shall have overall responsibility for the corporate funds, and shall perform, or cause to be performed, the following duties: a.) keeping of full and accurate accounts of all financial records of the corporation; b.) deposit of all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors; c.) disbursement of all funds when proper to do so; d.) making financial reports as to the financial condition of the corporation to the Board of Directors; and e.) any other duties as may be prescribed by the Board of Directors.

All of the Treasurer's duties and obligations may be performed with the assistance of the staff of the organization.

ARTICLE VI: CONFLICTS OF INTEREST

Conflicts of interest can result when one or more Directors has either a direct or indirect financial interest in a decision made by the Board of Directors. In such a circumstance, the Director(s) with the conflict may not vote on the particular decision, but may be present and participate during part of the discussion, and shall be absent for part of the discussion. Any decision in which a conflict of interest occurs must be decided by a majority of all disinterested Directors, not counting those involved in the conflict, in office at the time. If a majority of the Directors who have no direct or indirect interest in the transaction votes to authorize, approve or ratify the transaction, a quorum is present for the purpose of taking action under this Article.

ARTICLE VII: CORPORATE INDEMNITY

This corporation will indemnify its Officers and Directors to the fullest extent allowed by Oregon law.

ARTICLE VIII: AMENDMENTS TO BYLAWS

These bylaws may be amended or repealed, and new bylaws adopted, by the Board of Directors by a majority vote of Directors present, if a quorum is present. Prior to the adoption of the amendment, each Director shall be given at least seven days' notice of the date, time, and place of the meeting at which the proposed amendment is to be considered, and the notice shall state that one of the purposes of the meeting is to consider a proposed amendment to the bylaws and shall contain a copy of the proposed amendment.

ARTICLE IX: DISTRIBUTION OF ASSETS ON DISSOLUTION

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 510 (c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by the court of appropriate jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as that court shall determine, which are organized and operate exclusively for such purposes.

ARTICLE X: RULES OF ORDER

The affairs of this Corporation shall be governed by Robert's Rules of Order, revised, except as otherwise provided by these by-laws. In addition, when the

President determines that the meeting participants may prefer action by consensus, it shall be allowed, providing that no Board member specifically requests a formal vote.

Date Adopted: January 3, 2003

Bylaw Amendments March 5, 2004: Article III, Section 11 added by a majority vote of the Board of Directors

April 11, 2014, Article III, Section 4, added by a majority vote of the Board of Directors

Appendix 8: Public Policy

- 1) NCLC may engage in public policy at the federal, state, and/or local level (such as supporting or opposing legislation, advocating for sound land use policy, and/or endorsing public funding of conservation) provided that it complies with federal and state lobbying limitations and reporting requirements. Land trusts may not engage in political campaigns or endorse candidates for public office.
- 2) As a 501(c)(3) organization, NCLC is forbidden from engaging in any political activity in support of or in opposition to a candidate for public office. However, with the Board's approval, the Trust can legally engage in nonpartisan voter education activities and a limited amount of lobbying (see Appendix 9: Advocacy Policy). Below is an explanation of what election activities are legally permissible for 501(c)(3) organizations.
- 3) **Permissible Election Activities for a 501 (c)(3) Organization**
 - a) 501(c)(3) public charity organizations are not to engage in any political activity in support of or in opposition to any candidate for public office. The IRS will consider all of the facts and circumstances surrounding an activity to determine whether the activity violates this prohibition.
 - b) **501(c)(3)s may:**
 - i) engage in limited lobbying, including work on ballot measures
 - ii) conduct nonpartisan public education and training sessions about participation in the political process
 - iii) educate all of the candidates on public interest issues

- iv) publish legislative scorecards (with certain restrictions)
 - v) prepare candidate questionnaires and create voter guides (with certain restrictions)
 - vi) canvass the public on issues
 - vii) sponsor candidate debates (with certain restrictions)
 - viii) rent at fair market value mailing lists and facilities to other organizations, legislators, and candidates (with certain restrictions)
 - ix) conduct nonpartisan get-out-the-vote and voter registration drives
 - x) establish a controlled 501(c)(4) organization
 - xi) work with all political parties to get its positions included on the party's platform (with certain restrictions)
- c) **501(c)(3)s may not:**
- i) endorse candidates for public office
 - ii) make any campaign contributions
 - iii) make expenditures on behalf of candidates
 - iv) restrict rental of their mailing lists and facilities to certain candidates
 - v) ask candidates to sign pledges on any issue (tacit endorsement)
 - vi) increase the volume or amount of incumbent criticism as election time approaches
 - vii) publish or communicate anything that explicitly or implicitly favors or opposes a candidate

Appendix 9: Advocacy Policy

- 1) Occasionally NCLC is asked to take a position in a public policy discussion. Because NCLC believes that a general non-advocacy stance offers the best opportunity to work with landowners to conserve their lands, NCLC carefully evaluates any involvement in public policy. NCLC is a member of the national Land Trust Alliance (LTA) and the Coalition of Oregon Land Trusts (COLT). Each of these organizations exists, in part, to advocate for policies that support private, voluntary land conservation. Therefore, NCLC may benefit from the advocacy and lobbying these organizations do on behalf of their members. There may be times LTA and or COLT asks for the involvement of individual land trusts in supporting a cause or issue that will benefit land trusts or prevent harm to land trusts or private land conservation tools. While these professional organizations are helpful in advocating on our behalf as members, there may be opportunities for improving tools, relationships, and funding regionally or locally where these associations will not advocate on our behalf, or where our added voice will strengthen the message.
- 2) NCLC sees great value and little to no risk in increasing the knowledge of local and regional leaders and decision makers about the vital role that NCLC and land trusts play in our communities. To this end NCLC will send our publications to said leaders. NCLC Executive Director and Board Members will seek to introduce said leaders to our positive community impact through on-

on-one dialogue specific to our work and our projects along with invitations on field trips and site visits, enabling direct engagement with our lands. **When engaged in above dialogue, field trips and site visits, NCLC Executive Director and board members will be careful to *never* endorse or oppose a candidate or issue (see advocacy position procedures below).**

- 3) NCLC will use our voice strategically and thoughtfully when taking and advocacy stance. Advocacy cases are of three main types: 1) letters of support for projects being undertaken in our geographic region, 2) letters of support, or gratitude initiated by or requested from LTA and or COLT, 3) substantive involvement in major issues, or legislative issues for which NCLC takes a larger role.

4) **Advocacy Considerations**

a) Type one and two advocacy

- i) Does the project or issue for which the letter is written relate in some way to the mission and goals of NCLC
- ii) Does writing the letter obligate NCLC in anyway, regarding future involvement in the issue?
- iii) If letter obligates future involvement, has this involvement been evaluated and deemed appropriate and beneficial?
- iv) Is there a political conflict or perceived conflict?

b) Type three advocacy

- i) How does the issue directly support or hinder our mission and goals?
- ii) Does NCLC bring added value to the discussion?
 - (1) Can our participation change the outcome?
 - (2) Are other entities already adequately representing our concerns?
 - (3) Do we bring a unique and beneficial view?
- iii) Have the risks been fully analyzed?
 - (1) What is are the stakes with the main “players”
 - (2) Who are the allies?
 - (3) Who’s on the “other side”?
 - (4) Who will this tick off?
 - (5) How much time will it take to make it worth it?
 - (6) Do we have the necessary resources to make a difference?
 - (7) Is it worth the relationships that it may damage?
 - (8) Is it worth the relationships it will strengthen?
 - (9) Will this involve us in other controversial issues?

5) **Advocacy Position Procedures**

a) Type one advocacy

- i) The board gives full discretion to the executive director to write letters of support for conservation related projects in the region, expecting that he/she will do so only after analysis of the above advocacy considerations.
- ii) Anyone may write a letter of support for a project, on behalf of NCLC, but it must be approved the Executive Director and signed by either the Executive Director or the Board President

- b) Type two advocacy
 - i) The board gives full discretion to the Executive Director to engage in issues raised by LTA and or COLT, in the form of letters to policy makers in support or opposition of a cause, project, or legislation, expecting that he/she will do so only after analysis of the above advocacy considerations.
 - ii) The board gives full discretion to the executive director to engage in issues raised by LTA and or COLT in the form of thank you letters to political leaders for actions they took that directly affect and support private lands conservation, expecting that he/she will do so only after analysis of the above advocacy considerations.

- c) Type three advocacy
 - i) NCLC will rarely engage
 - ii) Engagement proposal may be submitted by the Executive Director or the Board President
 - iii) Proposal must include background on the issue, analyses of the above considerations, and an action plan
 - iv) For actions to be taken, a recommendation is required to be brought first to the executive committee
 - v) If executive committee recommends engagement actions to move forward, it first requires full board discussion and vote
 - vi) If a proposal is accepted via board vote, a temporary strategy committee is then created with 3 members of the board to implement the action plan along with proposing further actions to the full board
 - vii) If NCLC is actively engage in a Type three advocacy issue, the Strategy Committee will give at least monthly reports to the board and as often as is voted on by the board
 - viii) At any time, the Executive Director may recommend or a member of the board may motion to disengage in the type here advocacy. Disengagement would require full board discussion and vote.

Appendix 10: Basic Responsibilities of the NCLC Board

1) Legal and Fiduciary.

The board is responsible for ensuring that NCLC meets legal requirements and that it is operating in accordance with its mission and for the purpose for which it was granted tax-exemption. Board members ensure our organization maintains accountability by providing proper financial oversight. Individual board members must exercise the duty of care (meaning they must attend meetings, be prepared to make informed decisions by reading the information provided and requesting additional information if necessary, and carry out their duties in a reasonable and responsible manner). The board is ultimately

responsible for ensuring adherence to legal standards and ethical norms.

2) Oversight.

The board is responsible for effective organizational planning. The board must actively participate in an overall planning process and assist in implementing and monitoring the plan's goals. The board should clearly articulate NCLC's mission, accomplishments, and goals to the public and garner support from the community. Board members will recruit and orient new board members and assess board performance. The board moderates the power of management, and has the power to hire and remove the Executive Director. The board should ensure that the Executive Director has the moral and professional support he or she needs to further the goals of the organization.

3) Fundraising.

One of the board's foremost responsibilities is to provide adequate resources for the organization to fulfill its mission. As part of their fiduciary responsibility, board members are actively involved in fundraising. This may include making a personal contribution; organizing a fund-raising event or hosting a benefit; or face-to-face solicitation of other individuals.

4) Responsibilities of individual NCLC board members

- a) Attend all board and committee meetings and functions, such as special events
- b) Be informed about NCLC's mission, services, policies, and programs
- c) Review agenda and supporting materials prior to board and committee meetings
- d) Serve on committees and offer to take on special assignments
- e) Make a personal financial contribution to the organization
- f) Inform others about the organization
- g) Keep up-to-date on developments in the field of land conservation
- h) Follow conflict of interest and confidentiality policies
- i) Assist the board in carrying out its fiduciary responsibilities, such as reviewing the organization's annual financial statements and recruiting donors

4) Legal responsibilities of NCLC's Board of Directors¹

Under the principles of nonprofit corporation law, board members must meet certain standards of conduct in carrying out their responsibilities to an organization. In Oregon, these standards are described as the duty of care, the duty of loyalty to the corporation, and the duty of obedience to the law.

5) Duty of Care

A board member owes the duty to exercise reasonable care when he or she makes a decision as a steward of the organization. To exercise this duty properly, boards must pay particular attention to the following:

¹ The "Legal responsibilities of nonprofit boards" section is based on *A Guide to Nonprofit Board Service in Oregon* produced by the Office of the Attorney General and available at, <http://www.doj.state.or.us/charigroup/pdf/nonprofit.pdf>

- a) *Active participation.* A board member must actively participate in the management of the organization. This includes attending periodic meetings of the board, evaluating reports, reading minutes, and reviewing the performance of the Executive Director.
- b) *Reasonable inquiry.* Board members should request and receive sufficient information so that they may carry out their responsibilities as board members. When a problem exists or a report does not make sense, a board member has a duty to inquire into the surrounding facts and circumstances. The board member also has a duty to investigate warnings or reports of officer or employee theft or mismanagement.

6) **Duty of Loyalty**

Board members have a duty to give their undivided loyalty to the charitable organization.

Decisions regarding NCLC's funds and activities must promote the organization's public purpose rather than private interest. Any potential conflict transactions should be scrutinized closely by the board with the realization that the public will predictably be skeptical of such arrangements.

Below are some general principles that will serve to guide NCLC if it should be in a conflict-of-interest situation (for a more detailed discussion, see ...)

a) *Conflicts in general.*

While transactions between the charitable corporation and individual board members, their families, and businesses they own or operate should be avoided, they are not absolutely prohibited. Under certain circumstances, a contract or transaction between a nonprofit corporation and its board member or an organization in which the board member has a material or financial interest is acceptable. However, if the transaction is challenged, the board member will have the burden of establishing that the contract or transaction is fair and reasonable, that there was full disclosure of the conflict, and that the contract or transaction was approved by board members in good faith. ORS 65.361. The board will only approve the transaction if it is clearly in the best interest of the charity.

b) *Disclosure of Conflicts.*

All NCLC board members are to disclose any potential conflicts of interest they might have at the board meetings and this information should be documented in the minutes. The Oregon Office of the Attorney General recommends annual disclosure by all board members of their business involvement with NCLC.

c) *Written Policy.*

NCLC's Board has a written policy for dealing with conflicts of interest (see Appendix 22: Policy on Conflicts of Interest, pg. 78). The policy addresses disclosure of financial interest and withdrawal from discussion and voting by invested board members.

d) *Loans.*

In general, a charitable corporation may not lend money to an officer or director. There is one statutory exception. The law allows loans for executive relocation expenses under certain circumstances. ORS 65.364.

e) *Corporate opportunity.*

Board members are under a trust obligation not to divert a business opportunity for their personal gain. This duty means that a board member may not engage or benefit from a business opportunity that is available to and suitable for the organization unless the organization decides not to engage in the business opportunity and conflicts of interest procedures are followed.

7) **Duty of Obedience**

The duty of obedience requires board members to be faithful to the organization's mission. They are not permitted to act in a way that is inconsistent with the central goals of the organization. A basis for this rule lies in the public's trust that the organization will manage donated funds to fulfill the organization's mission. Board members should be familiar with and follow state and federal laws that relate to the organization and the way in which it conducts business.

a) *Federal law.*

NCLC must periodically apply to the Internal Revenue Service for exemption as a tax-exempt organization. Corporations that fail to do so may have their income taxed at normal rates, and contributors to the corporate charity may not be able to deduct their contributions on their income tax returns.

b) *State law.*

NCLC annually registers and files an annual financial report with the Attorney General's office. In addition, NCLC must also file an annual renewal with the Corporation Division of the Secretary of State's office.

c) *Mission & Procedures.*

Board members should be familiar with the organization's governing documents and should follow the provisions of those documents. Board members should be sure proper notice is given for meetings, that regular meetings are held, that directors are properly appointed, and that the organization's mission is being accomplished.

8) **Other duties**

In addition to the above three general fiduciary duties, there are a number of specific responsibilities which must be observed by nonprofit board members.

a) *Satisfactory corporate documents and records.* A board of directors is required to have Articles of Incorporation and Bylaws. The organization should see that they are updated and consider amendments if they do not reflect the current mission and operating procedures of the organization. The organization is also required to keep minutes of its board meetings and a record of all actions taken by board committees. ORS 65.771.

b) *Adequate financial records and controls.* One of the board's responsibilities is to oversee the organization's financial affairs, making sure that the organization has adequate internal accounting systems and controls. The board should be responsible for approving the organization's annual budget. Board members should expect the Executive Director (or

other designated staff) to produce timely and adequate income and expense statements, balance sheets, and budget status reports.

- c) *Safeguarding*. The board should oversee the effective use of the resources of the organization. Policies should be adopted and large transactions approved to ensure that the organization's assets are not misapplied or wasted. The board should ensure that the assets are invested prudently, avoiding high-risk investments and employing some diversification of investments.
- d) *Observing donor restrictions*. All donations must be used in a manner that is consistent with the organization's stated mission. However, some donors designate that gifts are to be used for a particular purpose. It is important to keep faith with donor intentions. The board is obligated to see that such restricted funds are used for the stated purpose(s).
- e) *Responsible solicitation activities*. Most donors expect the majority of their contributions to be used for program services and it is generally expected that fundraising costs should not add up to more than 35% of the organization's total expenditures. All solicitation activities carried out by the board, staff, and contracted fundraisers must be done respectfully and responsibly.

9) **IRS prohibition on private inurement**

- a) The Internal Revenue Code contains statutory bans against private inurement and private benefit. It specifies that for organizations exempt under Section 501(c)(3), "no part of the net income [may] inure...to the benefit of any private shareholder or individual." With regard to conflicts of interest, it prohibits, for example, the payment of excessive compensation, such as for staff or services, and the disposition or rental of property to board members or staff at less than fair market value.
- b) The IRS and the courts consider private inurement questions in the context of the additional requirement that the organization be "organized and operated exclusively for charitable purposes." Land trusts must serve a public rather than a private interest. The amount of private benefit that the courts have allowed has depended on the magnitude of the private benefit in relation to the public benefit derived from the activities in question, and whether the private benefit is necessary in order to advance the organization's exempt purposes. For example, whether the payment of compensation to a board member for services rendered to the organization in another capacity constitutes a prohibited form of private inurement is generally judged by whether the payment is reasonable and necessary to carry out the organization's exempt purposes.

10) **Board Member Liability**

Individual board members can be sued. Liability may occur in three different situations.⁴

- a) *Breach of duties.* Board members may be liable for breaching the duties - care, loyalty, obedience - that they owe to the land trust if, as a result of the breach, the land trust has been injured.
- b) *Wrongful conduct.* The protection of limited liability offered by the land trust's status as a corporation shields board members from most claims of injury to a third party or its property, such as bodily injury. However, if a board member was engaged in wrongful conduct that led to the injury, he or she could be held personally liable for damages.
- c) *Statutory liabilities.* Board members may be held liable for the violation of other civil or criminal laws. The limited liability of non-profit corporate status does not shield a board member from his or her own illegal or fraudulent conduct.

11) Insurance Requirements

- a) NCLC Board members will ensure that the Board carries "Directors" liability insurance.
- b) Individual Board members have the option of getting additional coverage at their own expense.

Appendix 11: Executive Constraints of President

The North Coast Land Conservancy's President shall not cause or allow any practice, activity, decision or organizational circumstance that is imprudent, unlawful, in violation of commonly accepted business and professional ethics, or that compromises the mission of the organization.

- 1) The President shall not fail to be actively and regularly engaged in the management of the organization.
- 2) With respect to interactions with the public, (including landowners, conservation partners or donors) the President shall not conduct the organization's business in ways that are unsafe, disrespectful, undignified, unnecessarily intrusive; that fail to maintain appropriate confidentiality and privacy; or that fail to honor the contracts, commitments, or other obligations of the organization.
- 3) The organization will not engage in a) candidate endorsement, or b) any political advocacy not directly related to land conservation, nor link with any political agenda, without prior board approval.
- 4) Dealings with staff and volunteers shall not be unfair or undignified.

- 5) Budgeting any fiscal period or the remaining part of any fiscal period shall not deviate from NCLC's mission and values, risk fiscal jeopardy, or fail to be derived from a strategic plan.
- 6) Actual financial conditions at any time shall not incur fiscal jeopardy, compromise the Board's mission, or reflect negatively on the organization.
- 7) The organization shall not fail to have a communications plan and communication of the organization's mission, goals or objectives shall not deviate from the Board approved mission and values
- 8) Gifts to the organization shall not be accepted that detract substantially from NCLC's mission or conservation values.
- 9) There may be no fewer than two other executives familiar with Board and Presidential issues and processes.
- 10) Information and advice to the Board will have no significant gaps in timeliness, completeness, or accuracy.
- 11) Assets may not be unprotected, inadequately maintained, unnecessarily risked, or invested in any way inconsistent with Board policy.
- 12) Compensation and benefits for employees, consultants, contract workers, and volunteers shall not cause jeopardy to fiscal integrity or public image.
- 13) The President shall not fail to have a proposal in place for his or her emergency succession.
- 14) The Board shall not be uninformed.

Appendix 12: Financial Reports and Statements

The board receives and reviews financial reports and statements in a form and with a frequency appropriate for the scale of NCLC's financial activity.

- 1) **Basic principles of financial reporting**
 - a) **Financial reports should be timely.** NCLC's financial reports should be available two to three weeks after the close of each month. Unaudited annual financial statements should be available four to five weeks after year's end. Interim reports should be reviewed monthly or at least quarterly.
 - b) **Financial reports should be understandable by the users.** Users include board, staff, contributors, and regulators (such as the IRS).

- c) **Financial reports should provide relevant information to the users.**
- d) **Financial reports must be credible.** The accounting system for the reports should follow generally accepted accounting principles (see Practice 6B), there should be a system of internal controls (see Practice 6E), and the preparation of the reports should be handled or overseen by a qualified accountant.

2) **Types and frequency of financial reports**

- a) NCLC uses the following financial reports:
 - i) Income statement
 - ii) Balance sheet or statement of financial position
- b) NCLC's president, treasurer, and the Executive Director are responsible for determining the frequency of the reports. These reports are currently prepared and distributed monthly. It is important that all board members and some staff become familiar with some basic accounting principles so that they are able to read and understand NCLC's financial reports. Below are general descriptions of the different types of financial reports.
 - i) **Income statement.** The income statement reports income (revenues) and expenses (disbursements) for a particular period of time. It is a tool for reviewing, evaluating, and changing an organization's activities with respect to its financial goals and objectives. This statement follows the same format as the approved budget, and shows variances between budgeted and actual expenses and revenue. Accompanying narrative explains the reasons for these variances, and suggests corrective action.
 - ii) **Balance sheet.** A balance sheet presents all assets (what is owned by or owed to the land trust), liabilities (what the land trust owes) and the difference, which is the net worth at a given point in time. It is called a balance sheet because assets balance with liabilities plus net worth. The balance sheet provides prospective contributors and board members with information, such as whether the organization has cash to cover its debts and expenses. The net worth of the organization is further divided based upon the degree of freedom or restriction applicable to the organization's funds.

3) **Board review of financial reports**

- a) Board members should review financial reports with a common-sense attitude, looking for areas where finances are substantially off target, asking questions where discrepancies or assumptions need to be explained, and identifying ways to resolve financial issues. The statements presented to the Board need not be excessively detailed but staff may need more detailed statements to analyze and control their expenditures.

Appendix 13: Financial Review or Audit

- 1) *NCLC has an annual financial review or audit, by a qualified financial advisor, in a manner appropriate for the scale of the organization and consistent with state and federal guidelines.*
- 2) NCLC desires that financial audits be conducted each year by an independent qualified financial professional. If funding levels do not permit or require an audit, then at minimum an independent financial review must be carried out. Audits are important because they help to prevent misinterpretations, biases, and mistakes that might be made by NCLC. Audits and/or reviews are also often needed for grant applications.
- 3) NCLC conducts annual audits.
- 4) Audit reports and associated comments for management are distributed to all members of the board, along with comments and/or plans for implementation by the finance committee.

Appendix 14: Brokerage Fund Investment Policy

Organization Name: North Coast Land Conservancy

Type: Not for Profit Corporation

Subtype: Public Charity

Fiduciary Standard of Care: The Uniform Prudent Management of Institutional Funds Act (abbreviated UPMIFA) is a uniform act that provides guidance on investment decisions and endowment expenditures for nonprofit and charitable organizations. As of 2012 UPMIFA is now the law in the District of Columbia and all states. The major change in UPMIFA compared to the previous model law (the Uniform Management of Institutional Funds Act) is that it replaces a requirement that nonprofits cannot spend below the original value of contributions or “historic dollar value” (HDV) with a new requirement that their investing and spending will be at a rate that will preserve the purchasing power of the principal over the long term.

<http://uniformlaws.org/Shared/Docs/UMIFA%20Becomes%20UPMIFA.pdf>

State of Domicile: Oregon

Tax Id: 93-0957815

Current Assets: \$746,507.10

Modeled Return: 6.48%

1-Yr Loss Limit (Worst case scenario): -2.7%

Statement of Objectives and Guidelines

SCOPE OF THIS INVESTMENT POLICY

This statement of investment policy reflects the investment policy, objectives, and constraints of the entire North Coast Land Conservancy.

PURPOSE OF THIS INVESTMENT POLICY STATEMENT (IPS)

This statement of investment policy is set forth by the Directors of the North Coast Land Conservancy in order to:

- 1) Define and assign the responsibilities of all involved parties.
- 2) Establish a clear understanding for all involved parties of the investment goals and objectives of the Conservancy assets.
- 3) Offer guidance and limitations to all Investment Managers regarding the investment of Conservancy assets.
- 4) Establish a basis for evaluating investment results and evaluate cost associated with the investment in the Conservancy.
- 5) Manage conservancy assets according to prudent Fiduciary standards.
- 6) Establish the relevant investment horizon for which the conservancy assets will be managed.

In general, the purpose of this statement is to outline a philosophy and attitude which will guide the investment management of the assets toward the desired results. It is intended to be sufficiently specific to be meaningful, yet flexible enough to be practical.

DELEGATION OF AUTHORITY

The Directors are considered fiduciaries, and are responsible for directing and monitoring the investment management of Conservancy assets. As such, the Directors are authorized to delegate certain responsibilities to professional experts in various fields. These include, but are not limited to:

- 1) Investment Consultant.
The consultant as a fiduciary may assist the Directors in:
 - a) establishing investment policy, objectives, and guidelines;
 - b) selecting investment managers and individual investments;
 - c) reviewing such managers over time;
 - d) measuring and evaluating investment performance;
 - e) And other tasks as deemed appropriate.
- 2) Investment Manager (Advisors, ETF's, Mutual Funds and Separate account managers).

The investment manager has discretion to purchase, sell, or hold the specific securities that will be used to meet the Conservancy's investment objectives while adhering to the Investment Policy.

3) Custodian.

The custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Conservancy, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales.

The custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Conservancy accounts.

The custodian will be a "qualified" institution or bank

4) Additional specialists such as attorneys, auditors, co-Directors, and others may be employed by the Finance Committee to assist in meeting its responsibilities and obligations to administer Conservancy assets prudently.

The trustees shall reserve control over investments by directing overall goals and objectives. Trustees will also reserve the ability to direct investments by requesting specific fund additions or deletions (buys or sells) within the Trust's portfolio, or to exclude certain investments from the portfolio.

Managers and Investment Advisors will be held responsible and accountable to achieve the objectives herein stated. While it is not believed that the limitations will hamper investment managers, each manager should request modifications which they deem appropriate. All expenses for such experts must be customary and reasonable, and will be borne by the Conservancy as deemed appropriate and necessary. All expenses will be reviewed quarterly.

Except as provided herein, the Trustees shall be authorized to implement and administer this policy on behalf of the Conservancy.

The board shall be accountable to the Conservancy mission for implementing this policy. The board shall make a written report on the status of the portfolio at least quarterly.

Modifications and exceptions to this policy shall be authorized only by resolution of the Conservancy board or as provided herein. The terms and conditions of this policy may be waived if specified by the terms of a gift.

DEFINITIONS

- 1) "Conservancy" shall mean the North Coast Land Conservancy.
- 2) "Directors" shall refer to the governing board established to administer the Conservancy as specified by applicable ordinance

- 3) "Fiduciary" shall mean any individual or group of individuals that exercise discretionary authority or control over Conservancy management or any authority or control over management, disposition or administration of the Conservancy's assets.
- 4) "Investment Consultant" who is also a Fiduciary shall mean any individual or organization employed to provide advisory services, including advice on investment objectives and/or asset allocation, manager search, and performance monitoring.
- 5) "Investment Manager" shall mean any individual, or group of individuals, employed to manage the investments of all or part of the Conservancy's assets. Investment Manager may manage sub-managers, provide advice, etc.
- 6) "Securities" shall refer to the marketable investment securities which are defined as acceptable in this statement.
- 7) "Investment Horizon" shall be the time period over which the investment objectives, as set forth in this statement, are expected to be met. **The investment horizon for this Organization is in excess of 30 years.** However, the investment horizon may be shorter than 30 years with respect to brokerage funds that are temporarily invested and designated for land acquisition purposes.

ASSIGNMENT OF RESPONSIBILITY

Responsibility of the Investment Consultant(s)

The Investment Advisor/Consultant's role is that of a discretionary advisor and Fiduciary to the Directors of the Conservancy. Investment advice concerning the investment management of Conservancy assets will be offered by the Investment advisor, and will be consistent with the investment objectives, policies, guidelines and constraints as established in this statement. Specific responsibilities of the Investment Consultant include:

- 1) Implementation of the Conservancy investment Strategy(s) and assisting in the development and periodic review of investment policy.
- 2) Conducting investment and manager searches.
- 3) Monitoring the performance of the Investments to provide the Directors with the ability to determine the progress toward the investment objectives of the Conservancy.
- 4) Communicating matters of policy, manager research, and manager performance to the Directors.
- 5) Reviewing Conservancy investment history, historical capital markets performance and the contents of this investment policy statement to any newly appointed members of the Conservancy.

Responsibility of the Investment Manager(s) if Hired

It is the policy of the Conservancy to utilize the services of external investment manager(s) to assist in the management of the Conservancy's portfolio.

The services to be provided by investment managers shall be specified in written agreements including comprehensive performance reports as approved by the Conservancy Directors.

Each Investment Manager and investment Advisor must acknowledge in writing its acceptance of responsibility as a fiduciary. Each Investment Manager will have full discretion to make all investment decisions for the assets placed under its jurisdiction, while observing and operating within all policies, guidelines, constraints, and philosophies as outlined in this statement. Specific responsibilities of the Investment Manager(s) include:

- 1) Discretionary investment management including decisions to buy, sell, or hold individual securities, and to alter asset allocation within the guidelines established in this statement.
- 2) Reporting, on a timely basis, monthly investment performance results.
- 3) Communicating any major changes to economic outlook, investment strategy, or any other factors which affect implementation of investment process, or the investment objective progress of the Conservancy's investment management.
- 4) Informing the Finance Committee regarding any qualitative change to investment management organization: Examples include changes in portfolio management personnel, ownership structure, investment philosophy, etc.
- 5) Voting proxies, if requested by the Finance Committee, on behalf of the Conservancy, and communicating such voting records to the Finance Committee on a timely basis.

GENERAL INVESTMENT PRINCIPLES

- 1) Investments shall be made solely in the interest of the Conservancy.
- 2) The Conservancy shall be invested with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in like capacity and familiar with such matters would use in the investment of a fund of like character and with like aims.
- 3) Investment of the Conservancy's assets shall be so diversified as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.
- 4) The Finance Committee may employ one or more investment managers of varying styles and philosophies to attain the Conservancy's objectives.
- 5) Cash is to be employed productively at all times, by investment in short term cash equivalents to provide safety, liquidity, and return.

INVESTMENT MANAGEMENT POLICY

- 1) Preservation of Capital - Consistent with their respective investment styles and philosophies, investment managers should make reasonable efforts to preserve capital, understanding that losses may occur in individual securities.
- 2) Risk Aversion - Understanding that risk is present in all types of securities and investment styles, the Finance Committee recognizes that some risk is

necessary to produce long-term investment results that are sufficient to meet the Conservancy's objectives. However, the investment managers are to make reasonable efforts to control risk, and will be evaluated regularly to ensure that the risk assumed is commensurate with the given investment style and objectives.

- 3) Adherence to Investment Discipline - Investment managers are expected to adhere to the investment management styles for which they were hired. Managers will be evaluated regularly for adherence to investment discipline.

ATTITUDE TOWARD GIFTS

Future giving (contributions) to charitable/endowment funds are expected to be inconsistent, and therefore, unpredictable. As a result, the Board of Directors has set an investment strategy with the objective of maintaining purchasing power of Conservancy assets before consideration of gifts. Accordingly, future giving will serve to increase purchasing power.

SPENDING POLICY AND RATE

Under the terms of the Conservancy Rules (IRS, Etc.), the Directors may distribute 80% of the Conservancy's non-dedicated assets at any time. This amount included distribution to cover Conservancy expenses (administrative, investment, land acquisitions, tax, etc.).

In any event and in accordance with UPMIFA, the organization considers the following factors in making a determination as to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund.***
- 2) The purposes of the organization and the donor-restricted endowment fund.***
- 3) General economic conditions.***
- 4) The possible effect of inflation and deflation.***
- 5) The expected total return from income and the appreciation of investments.***
- 6) Other resources of the organization.***
- 7) The investment policies of the organization.***

INVESTMENT OBJECTIVES

The portfolio shall be managed with the intention of obtaining the highest possible "total return" (i.e., current income plus net realized and unrealized appreciation) of the investment portfolio, balancing reasonable growth with maintenance of prudently acceptable risk and maximizing income to satisfy the cash flow needs of the Conservancy.

In order to meet its needs, the investment strategy of the Conservancy is to emphasize total return; that is, the aggregate return from capital appreciation and dividend and interest income.

It is permissible for the Conservancy to realize gains and losses if such actions would be consistent with the Conservancy's investment goals. Losses and gains realized on the Conservancy's portfolio shall be charged or credited against current income.

Specifically, the primary objective in the investment management for Conservancy assets shall be:

The primary objective in the investment management for Conservancy assets shall be: Long-term Growth of Capital -To emphasize long-term growth of principal while avoiding excessive risk. Short-term volatility will be tolerated in as much as it is consistent with the volatility of a comparable market index.

The secondary objective in the investment management for the Conservancy assets shall be to generate income for current operations and to achieve returns over the investment horizon, risk control is an important element in the investment of Conservancy assets.

SPECIFIC INVESTMENT GOALS

Over the investment horizon established in this statement, it is the goal of the aggregate Conservancy assets to exceed:

The rate of inflation (as measured by the Consumer Price Index) plus 8%.

The investment goals above are the objectives of the aggregate Conservancy, and are not meant to be imposed on each investment account (if more than one account is used). The goal of each investment manager, over the investment horizon, shall be to:

- 1) Meet or exceed the market index, or blended market index, selected and agreed upon by the Finance Committee that most closely corresponds to the style of investment management.
- 2) Display an overall level of risk in the portfolio which is consistent with the risk associated with the benchmark specified above. Risk will be measured by the standard deviation of quarterly returns.

MEASURING INVESTMENT GOALS

In order to objectively measure investment performance and create accountability for fund consultants and/or managers, the Finance Committee will monitor returns over 3-, 5-, and 10-year time horizons. The following factors will be taken into account:

- 1) *How each fund is performing compared to its benchmark*
- 2) *How the fund manager is doing against aggregate benchmarks*
- 3) *How the aggregate portfolio is doing against CPI+4.75%*
- 4) *Peer group comparisons with other Conservancies based on national and regional statistics*

LIQUIDITY

To minimize the possibility of a loss occasioned by the sale of a security forced by the need to meet a required payment, the Finance Committee will periodically provide investment counsel with an estimate of expected net cash flow. The Finance Committee will notify the investment consultant in a timely manner, to allow sufficient time to build up necessary liquid reserves.

To maintain the ability to deal with unplanned cash requirements that might arise, the Finance Committee requires that a minimum of *30% of the total investment portfolio* be maintained in cash or cash equivalents, including money market funds or short-term U.S. Treasury bills.

MARKETABILITY OF ASSETS

The Finance Committee requires that all of Conservancy assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Conservancy, with minimal impact on market price.

INVESTMENT GUIDELINES

Allowable Assets

- 1) Cash Equivalents
 - a) Treasury Bills
 - i) No limitations on amount investment or term.
 - b) Money Market Funds
 - c) STIF Funds (Short Term Investment Funds)
 - d) Commercial Paper
 - i) If the maturity of the paper does not exceed 270 days from the date of purchase, the following quality limitations shall apply. Rated A-1 (Standard and Poor's) and / or P-1 (Moody's).
 - ii) No commercial paper may be purchased with a term greater than 270 days.
 - e) Banker's Acceptances
 - i) No amount may be investment in a bank that is rated below C by Thompson Bank Watch or other Conservancy approved rating services.
 - ii) No banker's acceptances shall be purchased with a term greater than 270 days.
 - f) Repurchase Agreements

- i) Uncollateralized: There shall be no limitations on the amount invested in this vehicle provided the term of the agreement shall not exceed 30 days.
- ii) Collateralized at Market Value: There shall be no limit on the amount invested in this vehicle provided the term of the agreement shall not exceed 90 days and is 100% collateralized at market value by U.S. Government securities.
- g) Certificates of Deposit

The total of commercial paper, certificates of deposit and bankers' acceptances in one institution may not exceed \$1 Million.

Certificate of Deposits shall be purchased from publicly traded bank institutions with a debt rated A or better.

Certificate of Deposits shall be purchased in a limit within the applicable FDIC amounts. Higher denominations may be purchased with Finance Committee approval.

2) Fixed Income Securities

- a) U.S. Government and Agency Securities
 - i) No limitations on amount invested or term.
- b) Corporate Notes and Bonds (non-high yield investment managers)
 - i) Funds may be invested in the long-term debt instruments of a company or bank holding company or bank. Not more than 20 percent of the portfolio shall be invested in any particular industry.
 - ii) Bonds shall be A-rated or better at the time of purchase. Should bonds fall below A-rating (Standard and Poor's), they are to be sold immediately.
 - iii) No corporate bonds shall be purchased with a term greater than 40 years.
- c) High Yield Bonds - for high yield investment managers only.
 - i) Funds may be invested in bonds rated BBB- or better at the time of purchase.
- d) Mortgage-Backed Bonds
- e) Preferred Stock
- f) Planned Amortization Class Collateralized Mortgage Obligations (PAC CMOs) or other "early tranche" CMOs
- g) Municipal or State Bonds
 - i) Bonds shall be taxable and A-rated or better.
 - ii) No bonds shall be purchased with a term greater than 30 years.

3) Equity Securities

- a) Common Stocks
- b) Convertible Notes and Bonds
- c) Convertible Preferred Stocks
- d) American Depository Receipts (ADRs) of Non-U.S. Companies
- e) Stocks of Non-U.S. Companies (Ordinary Shares)

- i) Investments directly in any foreign country shall be made only if specifically authorized by the Finance Committee.
- 4) Mutual Funds
- a) Mutual Funds which invest in securities as allowed in this statement.
 - b) The investment in any particular fund shall not exceed 25 percent of the total portfolio.
- 5) Other Investments
- a) Real Estate: Investments in real estate shall be made only upon specific written authorization of the Finance Committee.
 - b) Between meetings of the Finance Committee, if deemed advisable, other investments not specifically authorized by this policy may be made if approved by the Executive Director and the Treasurer. Any such actions shall be taken to the Finance Committee at its next meeting for approval.
 - c) Stock Exchanges
 - i) To ensure marketability and liquidity, investment advisors will execute equity transactions through the following exchanges:
 - (1) New York Stock Exchange;
 - (2) American Stock Exchange; and the
 - (3) NASDAQ over-the-counter market.

In the event that an Investment Manager determines that there is a benefit or a need to execute transactions in exchanges other than those listed in this statement, written approval is required from the Finance Committee.

Prohibited Assets

Prohibited investments include, but are not limited to the following:

- 1) Commodities and Futures Contracts: There shall be no commodity trading in futures contracts
- 2) Private Placements
- 3) Options: There shall be no option trading other than writing covered calls.
- 4) Limited Partnerships
- 5) Venture-Capital Investments
- 6) Letter Stock: There shall be no purchasing of letter stock.

Prohibited Transactions

Prohibited transactions include, but are not limited to the following:

- 1) *Speculative* Short Selling
- 2) Margin Transactions

Derivative Assets

Derivative securities are defined as synthetic securities whose price and cash flow characteristics are based on the cash flows and price movements of other underlying securities. Most derivative securities are derived from equity or fixed income securities and are packaged in the form of options, futures, CMOs (PAC bonds, IOs, POs, residual bonds, etc.), and interest rate swaps, among others. The Board of Directors feels that many derivative securities are relatively new and therefore have not been observed over multiple economic cycles. Due to this uncertainty, the Board of Directors will take a conservative posture on derivative securities in order to maintain its risk adverse nature. Since it is anticipated that new derivative products will be created each year, it is not the intention of this document to list specific derivatives that are prohibited from investment, rather it will form a general policy on derivatives. So long as they conform to the guidelines and risk tolerances established in this statement of investment policy, the Investment Manager(s) may invest Conservancy assets in derivative securities at its discretion.

Asset Allocation Guidelines

Investment management of the assets of the Conservancy shall be in accordance with the following asset allocation guidelines:

Aggregate Conservancy Asset Allocation Guidelines (at market value)

	<u>Minimum</u>	<u>Preferred</u>	<u>Maximum</u>
Equities	___%	_30_%	___%
<i>Equities By Style:</i>			
Large Value	___%	_10_%	___%
Large Growth	___%	_10_%	___%
Small - Mid Cap	___%	_10_%	___%
International Equity	___%	_0_%	___%
Fixed Income & Cash	___%	_70_%	___%
		100%	

The Finance Committee may employ investment managers whose investment disciplines require investment outside the established asset allocation guidelines. However, taken as a component of the aggregate Conservancy, such disciplines must fit within the overall asset allocation guidelines established in this statement.

Asset Rebalancing: There will be periodic deviations in actual asset weightings from the preferred asset weightings specified in this Investment Policy Statement. These periodic deviations will be generally caused by market movements, cash flows and varying investment manager performance. Significant asset movements from the targets will alter the intended expected return and risk of the funds. The asset weightings will be monitored monthly in the performance report and the Investment Manager(s) will take all actions necessary to begin rebalancing assets to the target allocation in a timely and cost-effective manner when minimum or maximum asset allocation levels are achieved.

Diversification for Investment Managers

The Finance Committee does not believe it is necessary or desirable that securities held in the Conservancy represent a cross section of the economy. However, in order to achieve a prudent level of portfolio diversification, *no more than 10% of the total investment portfolio should be invested in any one industry (based on S&P defined industry percentages).*

Securities held by mutual funds owned by the Conservancy shall not be considered in computing industry concentration limits.

For the equity component of the total portfolio, *no more than 20% of the equity value shall be invested with any one investment manager.*

The Finance Committee may specify terms and conditions that are more restrictive than those of this policy, but shall not permit a less restrictive policy without specific authorization from the Board of Directors.

ALTERNATIVE INVESTMENT MANAGEMENT & Addendum

Some of the prohibited transactions listed in this Investment Policy (which were intended to be specific to separately managed accounts) are not applicable to these co-mingled accounts.

SELECTION OF INVESTMENT MANAGERS

The Finance Committee' selection of Investment Manager(s) must be based on prudent due diligence procedures. A qualifying investment manager must be a

registered investment advisor under the Investment Advisors Act of 1940, or a bank or insurance company. The Finance Committee requires that each investment manager provide, in writing, acknowledgment of fiduciary responsibility to the Conservancy.

INVESTMENT MANAGER PERFORMANCE REVIEW AND EVALUATION

Performance reports generated by the Investment Consultant(s) and/or Investment Manager(s) shall be compiled at least quarterly and communicated to the Finance Committee for review. The investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment objectives, goals, and guidelines as set forth in this statement. The Finance Committee intends to evaluate the portfolio(s) over at least a five-year period, but reserves the right to terminate a manager for any reason including the following:

- 1) Investment performance which is significantly less than anticipated given the discipline employed and the risk parameters established, or unacceptable justification of poor results.
- 2) Failure to adhere to any aspect of this statement of investment policy, including communication and reporting requirements.
- 3) Significant qualitative changes to the investment management organization.

Investment managers shall be reviewed regularly regarding performance, personnel, strategy, research capabilities, organizational and business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.

INVESTMENT POLICY REVIEW

To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of investment policy, the Finance Committee plans to review this Investment Policy at least bi-annually.

Adopted by the Board of Directors: May 8th 2015

Thomas S. Horning

Board Secretary

Appendix 15: Board & Committee Recruitment Process

Selection:

Committee members and staff bring recommendations for new committee members based on how well they will fit with the committee and the particular skills and / or connections that they will bring to the committee and NCLC

Invitation:

A member of the committee is designated a “Shepherd” at the time of selection and will be the point person to ensure a quality orientation and beginning experience for each new member.

- 1) A letter is sent signed by the Committee Chair and the Shepherd inviting them to join our committee:
 - a) Highlighting the specific contributions we think they will make (i.e., because of your work in Astoria with...and your experience in...)
 - b) Briefly describe the commitment requested (monthly meetings for an hour, commitment to at least a 3-year term, in between events for two hours etc.)
 - c) Shepherd requests to get together with Candidate, Chair, and committee staffer over food or drinks to discuss the opportunity
- 2) At in-person meeting
 - a) Provide a packet outlining
 - i) NCLC and Committee responsibilities
 - ii) Initiatives summary
 - iii) Strategic plan
 - iv) Committee descriptions
 - v) Committee work plan for current year
 - vi) Newsletter, event brochure etc.
 - b) Hit the high points in discussion (when meetings happen, in between time commitments, etc.)
 - c) Get to know each other better
 - d) If there is hesitance on either part, invite them to sit in on a meeting, or simply come to an NCLC event before deciding

- e) Shepherd follows up shortly after getting together (or after meeting) and reports back to the committee on the candidate's decision

Orientation:

Prior to first meeting, Shepherd arranges for candidate and staffer/Executive Director to get together for a personal NCLC101 presentation and discussion

- 1) At First Committee Meeting
 - a) Effort is made to have a simple agenda, allowing time for introductions, questions and clarifications
 - b) Shepherd sits with new member to help clarify or give background along the way
- 2) After first meeting
 - a) Shepherd offers to take a walk or go to a view point of one or some of our lands
 - b) Shepherd stays in good touch and sits next to new member through the first 6 months to ensure that the new member feels welcomed, valuable, informed and effective

Appendix 16: Delegation of Decision-Making Authority

NCLC's Board of Directors is responsible for setting the policies of the land trust and ensuring that the organization is properly managed. The board can set policy and then delegate implementation authority to officers, committees, staff, or other professionals.

When delegating decision-making authority, it should be clear what authority is being delegated, to whom, and what reporting procedures back to the board and/or staff are expected. The board may delegate decision-making and management functions to committees, provided that committees have clearly defined roles and report to the board or staff, or may delegate full management decision-making to the Executive Director. It is the board's responsibility to determine the job description of the Executive Director and to hire and evaluate the person in this position. The board should not direct other staff.

Delegation to the Executive Committee

The Executive Committee is authorized to:

- 1) Act on land deals as delegated to them by the Board of Directors
- 2) Ensure that an annual review of the Executive Director is completed in a timely manner by the President and Vice President

- 3) Meet in situations where it is impossible or impractical to call a meeting of the full Board, and to take whatever action it deems necessary, with such actions to be referred to the full Board for ratification at its next meeting
- 4) Authorize expenses outside the approved budget, the cumulative effect of which cannot exceed 10% of the current budget, with such actions to be referred to the full Board for ratification at its next meeting
- 5) Deliberate on all other needed board recommendations that would not fit in other committees' scope including personnel issues

Delegation to the President

Only decisions of the Board acting as a body are binding upon the President.

- 1) Decisions or instructions of individual Board members, officers, or committees are not binding on the President except in rare instances when the Board has specifically authorized such exercise of authority.
- 2) In the case of Board members or committees requesting information or assistance without Board authorization, the President can refuse such requests that require - in the President's judgment - disproportionate amount of staff time or funds or is disruptive.

All Board authority delegated to staff is delegated through the President, so that all authority and accountability of staff - as far as the Board is concerned - is considered to be the authority and accountability of the President.

The Board, as a body, creates the Strategic Plan. The Board directs the President to achieve specified results, for specified recipients, at specified worth through the Goals and Initiatives of the *Strategic Plan* in place during the President's tenure (see NCLC's current *Strategic Plan*). The Board limits the latitude the President may exercise in practices, methods, conduct, and other "means" to the ends through the *Executive Constraint of President* policy (Appendix 11).

As long as the President uses any reasonable interpretation of NCLC's *Strategic Plan* and *Executive Constraint of President* policy, the President is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and develop all activities.

The Board may change its *Executive Constraint* policy at any time, thereby shifting the boundary between Board and President domains. By doing so, the Board changes the latitude of choice given to the President. So long as any particular policy is in place, and the President has reasonably interpreted that policy, the Board and its members will respect and support the President's choices.

Delegation to Executive Director

The Executive Director has the power and authority to hire/fire staff within the approved budget. The Director has spending authority in the amounts approved by the annual budget. The Director shall not cause or allow any practice, activity, decision or organizational circumstance that is imprudent, unlawful, in violation of commonly accepted business and professional ethics, or that compromises the mission of the organization.

Delegation to Staff

Standard 7: Volunteers, Staff, and Consultants describes the delegation of authority to staff under *Practice 7C* and *Practice 7E*. To summarize, major authorities delegated to staff should be clear and may include spending authority, authority to proceed on land transactions, authority to sign contracts, etc. All authorities delegated to the staff should be delegated to the Executive Director, who has the responsibility for determining how those authorities and responsibilities are distributed within the staff.

Delegation to Committees

The North Coast Land Conservancy's committees are each delegated specific tasks via a board approved work plan. NCLC has an Executive Committee and a number of supporting committees: Organizational Development Committee, Finance Committee, Outreach Committee, Major Gifts Committee, and Conservation & Stewardship Committee. Each board member is on one or more committees. All committees are staffed. Non-board Volunteer specialists are encouraged to belong to these committees, with the exception of the Executive Committee. The committee's chairs may add, remove, and direct committee members as he/she sees fit, as long as the committee's purposes are advanced.

Principles of the Board Committees

NCLC establishes committees to increase community member involvement in and knowledge of NCLC, and to reinforce the wholeness of the Board's job structured so that they do not interfere with delegation from Board to President or Executive Director. A committee's existence and charge come from the Board, regardless whether Board members sit on the committee.

- 1) Board committees exist to help the Board do its job
- 2) Board Committees exist to expand the base of support for NCLC's mission and goals
- 3) Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation.
- 4) Board committees may not speak or act for the Board, except when formally given such authority for specific and/or time-limited purposes.

Expectations and authority will be carefully stated in order not to conflict with authority delegated to the President or Executive Director.

- 5) Board committees cannot exercise direct authority over staff

Role of Committee Chair

A committee Chair person provides leadership and order to the committee process. A chair person may or may not also be a board member. The Chair is recommended by the members and approved by the board of directors. Taking on the responsibility of the chair includes working with staff prior to meetings in order to prepare the meeting agenda and meeting materials, running the meetings, and working with committee members to ensure everyone's concerns and/or opinions are heard. Committee Chairs are asked to check in with individual committee members at least once a year to re-affirm their desire and commitment to remain on the committee, and to be available for any private discussion a member wants to have.

Role of Committee Member

Committee members are members of the public at large, Board of Directors, and/or natural resource professionals who have a passion and/or expertise that is valuable to NCLC's mission and voluntarily choose to participate. At the most basic level, committee members are asked to make a commitment to serve on the committee for a three-year term, to attend monthly meetings, provide input and feedback to staff, and engage in the overall committee process in order to advance the mission of NCLC. Committee members might also be asked to staff or provide support at NCLC events.

Annually a committee member will meet with their committee chair to discuss any desires or concerns, and will use this time as an opportunity for self-reflection and assessment in order to reaffirm a commitment to the goals and needs of the committee, and the mission of NCLC.

Duties of the Committees

Executive Committee

- 1) Purpose - The role of the Executive Committee, comprised of the Officers of NCLC's Board of Directors is to act on behalf of the Board in situations where;
 - a) Official action is needed on short notice
 - b) A full meeting of the Board seems uncalled for or is deemed impractical
 - c) There is a need to prepare complex issues for Board consideration
 - d) Deliberate on all other needed board recommendations that would not fit in other committees' scope, including personnel issues.

- 2) Meetings - The Board President will organize and hold meetings of the committee members as needed to accomplish the committee's goals in a timely manner.
- 3) Reporting - The Board President delivers his/her board meeting report agenda topics to the Executive Director at least one week in advance of the monthly board meeting. The committee chair reports his/her committee's progress toward committee goals at each monthly board meeting. Any relevant issues pertaining to the committee should be reported at this time.

Organizational Development Committee

- 1) Purpose - The role of the Organizational Development Committee is to oversee all aspects of the North Coast Land Conservancy's governance structure and Board effectiveness. The Organizational Development Committee is also charged with the responsibility of monitoring the progress of NCLC in achieving its strategic goals and updating the strategic plan on a periodic basis as needed. Activities include but are not limited to:
 - a) Monitoring the progress being made on the strategic plan;
 - b) Establishing, as appropriate, new long-term goals and objectives with the approval of the Board;
 - c) Collaborating with the other standing committees on the implementation of strategies for meeting long-term objectives.
 - d) Provide a selection and nominating process which assures renewal of the Board with a constituency representing a wide range of expertise, experience, diversity, financial support, and knowledge of the Trust's activities.
 - e) Identify and invite appropriate members for the various standing committees of the Board.
 - f) Develop and implement an appropriate evaluation of the effectiveness of the Board as a whole, as well as the effectiveness and involvement of individual Board members.
 - g) Review and recommend modifications, as appropriate, of the by-laws, and committee structure.
- 2) Meetings - Monthly meetings are the First Wednesday of the month at 9:30
- 3) Reporting - The committee chair delivers his/her board meeting report agenda topics to the Executive Director at least one week in advance of the monthly board meeting. The committee chair/liaison reports his/her committee's progress toward committee goals at each monthly board meeting. Any relevant issues pertaining to the committee should be reported at this time.
- 4) Staffed by: Associate Director

Outreach Committee

- 1) Purpose - The overall duties and responsibilities of the Outreach Committee are to sustain and develop programs that will engage directly with a broad

range of communities and individuals, fostering deeper connections to the work of the land trust and to the land that it holds in conservation, leading to a greater community support of local conservation.

Activities include but are not limited to:

- a) Ensuring files are kept on donors. Documenting the progress in NCLC membership over time and adjusting plan accordingly.
 - b) Monitoring NCLC's Programs and the events;
 - c) Communicating with the Conservation & Stewardship Committee and developing appropriate outreach mechanisms to inform local land owners about NCLC conservation areas
 - d) Evaluating all potential outreach and community-oriented activities to insure that NCLC support of and participation in said activities is in furtherance of the Conservancy's goals and objectives.
 - e) Newsletters and annual reports
- 2) Meetings -Meetings are at least quarterly, or scheduled as needed by the committee chair. The committee chair will organize and hold meetings of the committee members monthly to accomplish the committee's goals in a timely manner.
 - 3) Reporting - The committee chair delivers his/her board meeting report agenda topics to the Executive Director at least one week in advance of the monthly board meeting. The committee chair reports his/her committee's progress toward committee goals at each monthly board meeting. Any relevant issues pertaining to the committee should be reported at this time.
 - 4) Staffed by: Executive Director

Major Gifts Committee

- 1) Purpose- The overall duties and responsibilities of the Major Gifts Committee is to work creatively and collaboratively on building strong relationships with a variety of individuals and funding sources to raise sufficient funds for overall organizational health and sustainability. Activities include but are not limited to:
 - a) Cultivating major donors
 - b) Annual giving efforts
 - c) Planned giving
 - d) Capital campaigns and continuous search for creative fundraising ideas
- 2) Meetings - The committee chair will organize and hold meetings of the committee members the second Wednesday of the month from 3-4 pm to accomplish the committee's goals in a timely manner.
- 3) Reporting - The committee chair or board member representative delivers his/her board meeting report agenda topics to the Executive Director at least one week in advance of the monthly board meeting. The committee chair reports his/her committee's progress toward committee goals at each monthly board meeting. Any relevant issues pertaining to the committee should be reported at this time.
- 4) Staffed by: Executive Director

Finance Committee

- 1) Purpose - The duties and responsibilities of NCLC's Finance Committee are to ensure sound financial management and reporting for the Trust. Activities include but are not limited to:
 - a) Overseeing the budget process and provide an annual budget each year
 - b) Overseeing the audit process and work with the auditors to best indicate the financial status of NCLC
 - c) Investing the funds of NCLC for the best purposes of the organization
 - d) Evaluating safety of investments, along with growth and providing for the ongoing needs of the organization, are the paramount concerns of the committee
 - e) Reporting the financial activity and position of NCLC to the board of directors
 - f) Working with and assisting the staff or contracted accountant in the preparation of financial information and tax returns
- 2) Meetings - The committee chair will organize and hold meetings of the committee members as needed to accomplish the committee's goals in a timely manner.
- 3) Reporting - The committee chair or board member representative delivers his/her board meeting report agenda topics to the Executive Director at least one week in advance of the monthly board meeting. The committee chair reports his/her committee's progress toward committee goals at each monthly board meeting. Any relevant issues pertaining to the committee should be reported at this time.
- 4) Staffed by: Executive Director

Conservation & Stewardship Committee

- 1) Purpose - The Conservation & Stewardship Committee shall evaluate all potential land conservation projects involving North Coast Land Conservancy to insure for the board that NCLC's support of and participation in said projects is in furtherance of the Conservancy's goals and objectives. The committee will also help with management at implementation of stewardship actions as needed. The committee shall report its findings and make recommendations to the Board of Directors for decisions including but not limited to:
 - a) Land acquisition, donations, pre-acquisitions and sales, conservation easements
 - b) Applications for environmental loan fund monies
 - c) Legal issues regarding permanently owned NCLC land such as rights-of-way, timber trespass cases and boundary line disputes
 - d) Natural areas protection and enhancement stewardship activities
- 2) Meetings - Monthly meetings are held the 1st Wednesday of each month at 3pm. The committee chair will organize and hold meetings of the committee members as to accomplish the committee's goals in a timely manner.

4) Policy

- a) North Coast Land Conservancy Board of Director's make decisions on a case-by-case basis concerning employees or board members who would supervise, work, or serve with a family member or would supervise, directly or indirectly, another person who lives in the same household but is not a family member as defined above.
- b) NCLC's Board of Director's shall specifically try to avoid situations:
 - i) Where one family member would have the authority or practical power to supervise, appoint, remove, or discipline another;
 - ii) Where one family member would be responsible for auditing the work of another;
 - iii) Where other circumstances exist which would place family members in a situation of actual or reasonably foreseeable conflict between the employer's interest and their own.

In accordance with Oregon Law, North Coast Land Conservancy does not refuse to hire nor does it terminate employment of any individual solely because another member of that individual's family is presently working for or presiding on the Board of Directors for NCLC.

Appendix 19: New Board Member Recruitment Selection, Invitation, and Orientation Process

Selection:

Bring prospective board members in at a committee or other volunteer level.

Committee Chairs and staff together provide recommendations to the Organizational Development Committee for board member candidates.

Organizational Development Committee works it through based on recommendations and board needs while also using the board matrix as a tool.

Organizational Development Committee provides recommendations to the board, including a bio on each candidate, for new board members.

Board votes for whom to invite.

Invitation:

A member of the board is designated a “Shepherd” at the time of selection and will be the point person to ensure a quality orientation and beginning experience for each new board member.

A letter is sent signed by the President and the Shepherd inviting them to join our board,

- Highlighting the specific contributions we think they will make
- Shepherd request to get together with Candidate, President, and Ex. Director over food or drinks to discuss the opportunity

At in-person meeting

- Provide a packet outlining NCLC and board responsibilities
 - Lines of Authority chart
 - Initiatives summary
 - Strategic plan
 - Mission and Vision
 - Committee descriptions
 - Conflicts of interest policy
- Hit the high points in discussion
- Get to know each other better
- If there is hesitance on either part, invite them to sit in on a board meeting before deciding
- Shepherd follows up shortly after getting together (or after meeting) and reports back to the board on the candidate’s decision

Orientation

- Prior to first board meeting, Shepherd arranges for candidate and Executive Director to get together for a personal NCLC101 presentation and discussion
- Conflicts of interest policy reviewed, signed, and returned to President at first board meeting
- A board member handbook which may include the following is presented
 - Standards and Practices
 - Committee work plans
 - Board member menu of opportunities
 - Strategic Plan
 - Any current publications i.e., Newsletters, annual reports
 - Property Inventory handbook
- At First Board Meeting
 - b) Effort is made to have a simple agenda, allowing time for introductions, questions and clarifications
 - c) Shepherd sits with new member to help clarify or give background along the way
- After first board meeting

- d) Shepherd offers to take a walk or go to a view point of one or some of our lands
- e) Shepherd stays in good touch and sits next to new member through the first 6 months to ensure that the new member feels welcomed, valuable, informed and effective
- o At 6-month mark - close the loop
 - f) New board member/s are invited to Organizational Development Committee meeting for an interview regarding their orientation and experience over the first 6 months of service

Appendix 20: Board Self-Assessment

NORTH COAST LAND CONSERVANCY
ANNUAL BOARD SELF-ASSESSMENT

COMMITMENT TO THE INSTITUTION

Participation:

I have maintained consistent attendance at board meetings.

0 1 2 3 4 5
no sometimes always

I actively participate at meetings.

0 1 2 3 4 5
no sometimes always

I have participated on the following Board Committees or ad hoc committees:

I have maintained consistent meeting attendance of the above listed committees on which I serve.

0 1 2 3 4 5
no sometimes always

When asked, I respond to NCLC's need for my own personal expertise.

0 1 2 3 4 5
no sometimes always

I have attended the following NCLC events during 20__:

- _____ Special Events, i.e. Earth Day
- _____ Donor cultivating/outreach events (i.e. walks, hikes, etc.)
- _____ Annual board retreat
- _____ Annual volunteer recognition event

COMMITMENT & FINANCIAL SUPPORT

Personal support:

Year	Membership	Fund Appeals	Other Gifts
20			
20			

My NCLC support ranks [high], [medium], or [low] (circle one) compared to my total philanthropic support.

Cultivation:

I have brought guests to the following events:

- Earth Day
- Estuary Day
- Gateway field programs
- Listening to the Land evening lectures
- Stewardship volunteer days
- Other _____

I have assisted in the cultivation and solicitation of other individual gifts.

0 1 2 3 4 5
no sometimes always

I have assisted in the solicitation of corporate gifts.

0 1 2 3 4 5
no sometimes always

I have assisted in the solicitation of foundation gifts.

0 1 2 3 4 5
no sometimes always

COMMITMENT TO AMBASSADORSHIP

Community Efforts:

I am informed about NCLC's programs and activities, and I am ready and willing to discuss NCLC's work whenever the opportunity arises in my daily life.

0 1 2 3 4 5
no sometimes always

I have provided names to the Board for potential donors/volunteers.

0 1 2 3 4 5
no sometimes always

Please explain all other ways in which you have participated in the efforts of NCLC.

Please share any challenges or experiences (whether internal or external of NCLC) that made your involvement or commitment difficult this past year.

In the year to come, I expect my involvement with NCLC to:

_____ increase

_____ decrease

_____ remain the same

Any Comments:

Appendix 21: Preventing Minority Rule

The Trust's governing documents contain policies and procedures that prevent a minority of board members from acting for the organization without proper delegation of authority.

Decisions made by the NCLC Board of Directors should reflect the opinion of a majority of the board and the constituencies that majority represents. To safeguard against minority rule, NCLC requires quorums of greater than 50 percent, advance notice of board meetings and agenda items requiring board action, providing of adequate information in advance of board meetings, and parliamentary meeting procedures.

Quorum

At any meeting of the board of directors, a majority of the directors then in office shall constitute a quorum.

Meeting notice

Notice of all board meetings should be in writing and should state the time and place of the meeting. Meeting notices should be served either personally or by mail/email to each board member. Board members should be notified of committee and board meetings plenty of time in advance (one week's notice is strongly preferable).

Effective meetings

The following steps are to be taken to help ensure that NCLC board meetings are effective and efficient:

- 1) NCLC's Board president should be familiar with and adept at running meetings
- 2) Board members should be notified well in advance of meetings, followed by reminders
- 3) Materials on action items should be sent to board members in advance so that they can review them and prepare for any votes or actions that might be taken at the meeting
- 4) The agenda should be put in writing and distributed in advance of the meeting, allowing sufficient time for board members to check the agenda for accuracy and add additional items as needed so that these changes can be incorporated into the agenda prior to the meeting
- 5) Board members' schedules and time will be respected. Meetings will start on time and be completed within reasonable period of time
- 6) Decisions of the Board should be made by a formal vote through official meeting procedures

Appendix 22: Policy on Conflicts of Interest

POLICY STATEMENT

It is the responsibility of the North Coast Land Conservancy Board of Directors to protect the organization's interests when the organization contemplates entering into a transaction or arrangement that might benefit the private interests of individuals with close relationships to the organization. It is the policy of North Coast Land Conservancy to disclose real or perceived conflicts of interest and to address such conflicts in a manner that will fully protect the integrity and reputation of the land trust as well as related parties. This policy will also help assure compliance with the Internal Revenue Service rules against private inurement and impermissible private benefit and with state statutes addressing conflict transactions.

North Coast Land Conservancy adopts this Policy on Conflicts of Interest as a means of codifying its expectations and as a means of assuring that every decision made on behalf of North Coast Land Conservancy is made in furtherance of its mission.

1. Definitions.

- a. Conflict of Interest: A conflict exists when a Covered Person (as defined below) proposes to act on any issue, matter or transaction in which the land trust has an interest, and the Covered Person may have an interest separate from the land trust. A Conflict of Interest also exists in situations in which there is an appearance that a Covered Person is utilizing, for his or her own benefit, inside information that is proprietary to the land trust, is acting in his or her own interest rather than the best interest of North Coast Land Conservancy, has the ability to exercise undue influence over land trust decisions, or is receiving favorable treatment by the land trust because of his or her status as a Covered Person.
- b. Covered Person: All employees, Board members and, as defined below, Close Relatives, Major Donors, related organizations, and Other Insiders.
- c. Close Relative: Spouse, child, (natural and adopted), parent, and step parent, in-laws, grandchild, grandparent, brother or sister of a covered person, and any person with whom a covered person shares living quarters under circumstances that closely resemble a marital relationship or who is financially dependent upon the covered person.
- d. Inside Information: any material information that is identified as confidential and proprietary, pertaining to the business and affairs of North Coast Land Conservancy, whether related to a specific transaction or to matters pertaining to the land trust's interests, activities and policies.
- e. Major Donor: An individual, corporation or foundation that makes a gift or a pledge of \$5000 or more at any one time or cumulatively \$15,000 within a five-year period prior to the occurrence of the conflict.

- f. Other Insiders: Individuals such as volunteers or former employees, founding board members, who, by virtue of their continued involvement with the land trust, either have access to inside information not available to the general public or who have the ability to influence decisions of the organization. Depending on the facts and circumstances, an independent contractor may be an Other Insider, where that person has access to inside information.

2. Conflict of Interest Procedures

- a. A copy of this Policy on Conflicts of Interest shall be given to all individuals with a duty of loyalty to the organization--officers, employees, members of the Board of Directors and committee members--upon commencement of such person's relationship with North Coast Land Conservancy. Each officer, employee, member of the Board of Directors and committee member shall sign and date the Policy annually. Failure to sign does not nullify the policy.
- b. At each meeting of the Board of Directors or Board committee where decisions may be made by a vote of Board members, the Chair shall solicit notice of any potential conflicts of interest that may arise from that meeting's agenda.
- c. The Board of Directors expects each officer, employee, member of the Board of Directors and Committee member to inform the Executive Director, Chair of a land trust committee and/or Chair of the Board of Directors with any potential conflict of interest concerns upon commencement of his or her term or as potential conflicts arise.
- d. The Chair of the Board of Directors shall be responsible for the application and interpretation of the Policy on Conflicts of Interest as it relates to officers, members of the Board of Directors and committee members. The Executive Director shall be responsible for the application and interpretation of the Policy as it relates to employees of North Coast Land Conservancy.
- e. The Board of Directors is responsible to assess potential conflicts involving Other Insiders, Close Relatives, or Major Donors, whose relationship with the Trust may confer an ability to influence its decisions. These actions are subject to a higher level of scrutiny to guard against undue influence. Such actions include situations where the person receiving the benefit has no duty of loyalty to the Trust but has a close relationship with the Trust or access to confidential information.
- f. In the event that it is not entirely clear that a Conflict of Interest exists, the Covered Person with the potential Conflict of Interest shall disclose to the Chair of the Board, the Chair of a committee or to the Executive Director all facts material to the potential Conflict of Interest.
- g. The minutes of formal meetings of North Coast Land Conservancy shall reflect all instances when a Covered Person has stated a Conflict of Interest, and/or refrained from voting on an item of business. A

Conflict-of-Interest file will be kept in North Coast Land Conservancy records.

- h. Existence of a Conflict of Interest shall render a Contract or Transaction voidable by action of the Board absent full disclosure of the Conflict of Interest and approval of the Contract or Transaction following such disclosure.
- i. When a Covered Person proposes to provide services to North Coast Land Conservancy, approval shall occur only if the Board makes specific findings that the transaction or contract:
 - i. is fair and benefits North Coast Land Conservancy and its objectives;
 - ii. is approved with the full knowledge of the economic benefit to the Covered Person involved in the conflict of interest; and
 - iii. a good faith effort was made to review the range of options and costs for the provision of said services.
- j. The Covered Person may not participate in the vote approving the transaction or contract.

3. Managing Conflict of Interest Cases

- a. **DISCLOSURE.** Prior to Board or committee action on a Contract or Transaction involving a Conflict of Interest, a Covered Person having a Conflict of Interest shall disclose to the Board Chair, Committee Chair or to the Executive Director all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of any meeting in which the Contract or Transaction is discussed or acted upon.
- b. **DISCUSSION.** A Covered Person who has a Conflict of Interest may not participate in the Board's or committee's discussion of the Contract or Transaction and shall leave the room during the entirety of the discussion, unless otherwise requested by the Board.
- c. **RECUSAL.** The Covered Person having a Conflict of Interest may not vote on the Contract or Transaction or be present during voting. Such Covered Person's ineligibility to vote and departure from the room shall be reflected in the minutes of the meeting.
- d. **LEAVE OF ABSENCE.** If requested by the Board, a Covered Person shall take a temporary leave of absence from the Board until completion of the Contract or Transaction in which the Covered Person has a Conflict of Interest.

4. Confidentiality.

- a. Each Covered Person shall exercise care not to disclose confidential information, or information the disclosure of which might reasonably be expected to be averse to the interests of North Coast Land Conservancy. Furthermore, a Covered Person shall not disclose or use information relating to the business of North Coast Land Conservancy for the personal profit or advantage of the Covered Person.

5. Land Transactions with Covered Persons

- a. Land transactions with Covered Persons, which North Coast Land Conservancy rarely engages in, follow this Conflict-of-Interest policy. Like all other projects, North Coast Land Conservancy land protection staff documents that these projects meet North Coast Land Conservancy's mission, ensures that the transactions follow all standard practices and procedures, and makes certain that there is no private inurement or impermissible private benefit.
- b. For purchases of property or property interests from Covered Persons or sales of property to Covered Persons, North Coast Land Conservancy obtains a qualified independent appraisal prepared in compliance with the Uniform Standards of Professional Appraisal Practice by a state-licensed or state-certified appraiser who has verifiable conservation easement or conservation real estate experience. When selling property to Covered Persons, the land trust widely markets the property in a manner sufficient to ensure that the property is sold at or above fair market value and to avoid the reality or perception that the sale inappropriately benefitted a Covered Person.

6. Review of Policy

- a. The North Coast Land Conservancy Board of Directors shall review the Policy on Conflicts of Interest annually and update or amend the Policy as needed.

Originally Adopted by the Board of Directors: July 20th, 2007

Revised and Re-adopted: July 8th, 2014

Revised and Re-adopted: April 10th 2015

Amended by the Board of Directors: April 10th 2015

Thomas S. Horning

Board Secretary

Appendix 23: Policy on Transactions with Insiders

When engaging in land and easement transactions with insiders, NCLC needs to: follow its conflict-of-interest policy; document that the project meets NCLC's mission; follow all transaction policies and procedures; and ensure that there is no private inurement or impermissible private benefit. For purchases and sales of property to insiders, NCLC needs to obtain a qualified independent appraisal prepared in compliance with the Uniform Standards of Professional Appraisal Practice by a state-licensed or state-certified appraiser who has verifiable conservation easement or conservation real estate experience. When selling property to insiders, NCLC needs to widely market the property in a manner sufficient to ensure that the property is sold at or above fair market value and to avoid the reality or perception that the sale inappropriately benefited an insider.

Potential land and easement transactions with insiders must be handled with great care. In order to ensure that NCLC's interests are being protected, the land trust should verify purchase or sales prices with an independent appraisal provided to the land trust. NCLC should not rely on the seller's appraisal. If NCLC is selling land, and an insider may be interested in purchasing the land, the property should be marketed widely to prospective conservation buyers through web pages, personal contacts, mailings, and listings in newsletters and other publications.

With regard to donations of land, board members or staff may wish to demonstrate their commitment to NCLC's mission by donating or restricting their own land, advancing the land protection goals of the land trust. In these circumstances, NCLC should follow its conflict-of-interest policy, (reference Appendix 22: Policy on Conflicts of Interest) ensure that the potentially conflicted party is not part of the discussions relative to the acceptance of the donation or future stewardship of the easement, and keep thorough records so that the transaction is transparent and upholds NCLC's credibility. Board approval is required for all transactions conducted with insiders.

Appendix 24: Board Member Compensation Policy

Board members do not serve for personal financial interest and are not compensated except for reimbursement of expenses and, in limited circumstances, for professional services that would otherwise be contracted out.

Any compensation must be in compliance with charitable trust laws. The Board's presiding officer and treasurer are never compensated for professional services.

NCLC board members do not serve for personal financial interest and are not compensated except for reimbursement of expenses and, in limited circumstances, for professional services that would otherwise be contracted out. Any compensation must be in compliance with charitable trust laws. The Board's presiding officers are never compensated for professional services.

1) Reimbursement of expenses

- a) It is acceptable for NCLC to reimburse board members for expenses, such as travel and lodging, incurred in attending meetings and carrying out NCLC business. This practice
- b) allows us to recruit the most qualified board members, regardless of their financial means. Board members who are able and willing not to take reimbursement may consider their out-of-pocket expenses in the course of board service to be charitable contributions.

2) Board members paid to render professional services

- a) Some board members are asked to join the board in part so that NCLC can benefit from their professional expertise. These professionals are expected to provide NCLC with general advice in their areas of expertise, raise important issues that might otherwise go unrecognized, provide leads and information, and so forth.
- b) If NCLC wants to hire a board member to provide the trust with professional services, rendered as a consultant or part-time staff person, legal and public relations issues will be raised. In each case, we must carefully consider whether hiring board members to do work for NCLC (paid or unpaid) is good business practice.
- c) It might be that the professional expertise NCLC would like to have both on its board and in its work is available from only one person. If this is the case, NCLC must be very careful and our expectations should be clear when the professional is asked to join the board. When a board member is to perform services for the trust, all parties should try to be as clear as possible about the work to be performed and the expectations on both sides.
- d) If NCLC decides that it really is in the best interest of the Trust's work to use the services of a board member, paying for those services has some advantages. The nature of the relationship is unambiguous, the terms are normally put in writing, and the burden on the board member to deliver timely and quality service to the land trust is clearer than if the work is pro bono.
- e) Paying a board member for services raises questions of private inurement under the Internal Revenue Code and self-dealing or conflict of interest issues under state law. NCLC needs to make the decision in an open,

deliberative process so it can defend itself against any public criticism. In general, NCLC should:

- i) *Be sure that the payment is reasonable.* The requirement in California's nonprofit law provides a good standard: that a more advantageous arrangement could not have been obtained with reasonable effort under the circumstances. Getting other bids or quotes on the same work or investigating hourly or daily rates for similar service can provide such information.
 - ii) *Be sure that the work in question furthers NCLC's purposes as stated in the Trust's charter.*
 - iii) *Follow all LTA & NCLC procedures*
 - iv) *Have a written agreement* outlining the term, compensation and required deliverables, which is distributed to all board members.
 - v) *Approve the hiring by a vote of the full board*, without the presence of the affected board member.
- f) Under federal law, if a board member receives compensation in excess of fair market value, that board member and the leaders involved in approving the compensation may be subject to financial penalties. However, the compensation will be presumed by the IRS to be reasonable if:
- i) it is approved by the board or a board committee in the compensated board member's absence;
 - ii) the decision on the amount of compensation is based on reliable information about the fair market value rate for such services; and
 - iii) the board or board committee documents the decision and basis for the amount of compensation in the minutes. This does not provide a guarantee against penalties because the IRS still can bring in data to show the compensation was not reasonable, but it does provide a measure of safety.
- g) According to the Land Trust Alliance, "if a land trust finds itself using the services of a board member repeatedly, and the board member and the trust feel he or she can best serve the land trust in a professional capacity, then, absent compelling countervailing considerations, that board member should resign. He or she may be able to serve the land trust in some other capacity."⁵

⁵ Land Trust Alliance. 2006. *The Land Trust Standards and Practices Guidebook: An Operating Manual for Land Trusts*. Vol. 1. "Standard 4: Conflicts of Interest." Bates, S.K. and T.V. Ryn (Eds.). Land Trust Alliance: Washington, DC

Appendix 25: Legal and Ethical Fundraising Practices

North Coast Land Conservancy complies with all charitable solicitation laws, does not engage in commission-based fundraising, and limits fundraising costs to a reasonable percentage of overall expenses.

North Coast Land Conservancy is legally and ethically obliged to comply with all charitable solicitation laws, not engage in commission-based fundraising, and limit fundraising costs to a reasonable percentage of overall expenses. Our responsibilities in relation to fundraising include the following:

- 1) **Reasonable fundraising costs.** North Coast Land Conservancy is ethically obliged to keep the costs of doing business—raising funds and administering the office—within acceptable bounds. The Wise Giving Alliance standards suggest that organizations spend less than 35 percent of related contributions on fundraising and that at least 65 percent of expenses be spent on program activities.
- 2) **Registration.** North Coast Land Conservancy must be registered with the office of the attorney general, secretary of state, or consumer protection agency. Registration involves filing basic information about the organization, including the purpose for which it raises funds and whether it is tax exempt. NCLC is currently registered with the Secretary of State-Corporate Division.
- 3) **Filing of financial reports.** NCLC is required to file an annual IRS Form 990 (the federal return for tax-exempt organizations).
- 4) **Paid solicitor requirements.** Outside persons who solicit on behalf of NCLC (paid solicitors) or who provide advice (fundraising counsel) have laws applying to them that require them to be registered and licensed. When working with these individuals, NCLC will check whether contracts must be filed with the state of Oregon.
- 5) **Prohibitions.** NCLC is prohibited by law from misrepresenting the purpose for which solicited money will be used and making false and misleading solicitation statements.

Appendix 26: Accountability to Donors

The North Coast Land Conservancy is accountable to its donors and provides written acknowledgement of gifts as required by law, ensures that donor funds are used as specified, keeps accurate records, honors donor privacy concerns, and advises donors to seek independent legal and financial advice for substantial gifts.

- 1) Honoring the Donor

In raising funds from the public, organizations will respect the rights of donors, as follows:

- a) To be informed of the identity of those serving on the organization's governing board and to expect the board to exercise prudent judgment in its stewardship responsibilities;
- b) To be informed of the mission of the organization, the way the resources will be used, and their capacity to use donations effectively for their intended purposes;
- c) To have access to the organization's most recent financial reports;
- d) To be assured their gifts will be used for the purposes for which they were given;
- e) To receive appropriate acknowledgement and recognition;
- f) To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by the law;
- g) To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature;
- h) To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors;
- i) To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share; and,
- j) To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

2) Publicly Honoring Donors

- a) It is the practice of NCLC to honor our donors in many ways including but not limited to:
 - i) naming in the annual report,
 - ii) newsletter stories,
 - iii) posted thank you's,
 - iv) articles,
 - v) stories and
 - vi) profiles.
- b) It is the policy of NCLC to name properties, trails, and other places with an appropriate place name, and not after a donor.

3) Charitable Gifts

- a) **How much is deductible?**
 - i) A charitable gift can only be considered a deductible contribution when it is given with no anticipation of receiving something of substantial value in return. The IRS requires that 501(c)(3) organizations establish the "fair market value" of those benefits and advise potential donors about the extent of a gift's deductibility in their fundraising materials or solicitations. Fair market value is defined as the amount the item would be worth if it were sold to the general public; fair market value is not the cost to the charity to obtain that item.
- b) **Exceptions for insubstantial benefits**

- i) Certain benefits are considered by the IRS to be of “insubstantial value” and thus do not reduce the donor’s allowable deduction. To qualify for this exception, the contribution must have been made in the context of a fundraising campaign in which the organization informed potential donors how much of their payment would be a deductible contribution. In addition, one of the following criteria must be met:
 - (1) *Basic maximums*. The premium’s fair market value does not exceed 2 percent of the payment or \$91 (in 2018; this figure is adjusted annually by the IRS to account for inflation.), whichever is less.
 - (2) *Token items*. The payment is \$45.50 (in 2018) or more and the only benefits received in connection with it are “token items” (bookmarks, calendars, mugs, posters, t- shirts, etc.) bearing the organization’s name or logo and costing less than \$9.10 (in 2018). Note that in this case the IRS allows the charity to use the *cost* to it of the item, not its fair market value.
 - (3) *Noncommercial newsletters*. The benefit is a newsletter that is not of commercial quality. “Commercial quality” is determined by such tests as whether a publication pays for articles, accepts paid advertising, appears on newsstands, etc.
- c) In addition, certain membership benefits provided in return for an annual payment of \$75 or less are disregarded. They may include free or discounted admission to the organization’s facilities or events, free or discounted parking, preferred access to goods or services, and discounts on the purchase of goods or services.
- d) However, even when the benefits received are determined to be insubstantial, organizations must provide the following statements to donors:
 - i) Under IRS guidelines, the estimated value of [*insert the benefits received*] is not substantial; therefore, the full amount of your payment is a deductible contribution.

4) Disclosure for “quid pro quo” contributions

- a) The law requires land trusts and other charitable organizations to provide a disclosure statement to donors who make a “quid pro quo” contribution in excess of \$75. To comply with this requirement, land trusts must:
 - i) Inform the donor that the deductible amount of the contribution is limited to the amount of the payment that exceeds the value of the goods or services provided.
 - ii) Provide a good faith estimate of the value of those goods or services. This estimate should be based on an estimate of the fair market value of the goods or services, not the land trust’s cost of providing them.
 - iii) Make the disclosure in a manner that is reasonably likely to come to the attention of the donor. Statements in very small print might not meet the requirement.
- b) The statement may be provided in connection with soliciting the gift or upon its receipt. However, for gifts of \$250 or more (discussed below), the

statement must be included with the written substantiation of the gift.

- 5) **Non-deductibility of raffle tickets, etc.**
 - a) Payments that provide the donor just an *opportunity* to acquire something of value are not gifts, and thus are not tax-deductible according to law.

- 6) **Substantiating how funds are spent**
 - a) *Financial statements and records.*
 - i) NCLC must keep accurate records so that they can report to donors.
 - b) *Thank you letters.*
 - i) NCLC should acknowledge gifts and thank the donors promptly. The acknowledgement should identify the amount received and reiterate the purpose for which it is to be used. This simple procedure documents, for both the land trust and the donor, the receipt of the funds and intention to use them as specified.

- 7) **Substantiating gifts of \$250 or more**
 - a) By law, donors must have written substantiation of gifts with a value of \$250 or more in order to qualify for a charitable deduction. While this is a requirement placed on the *donor*, not the donee, as a practical matter NCLC should provide donors with written documentation of their gifts and should inform them that they must retain this documentation to qualify for a deduction.
 - b) The notice must include a description and good-faith estimate of the value of any goods or services provided in exchange for the contribution. If the donor received nothing in return for the contribution, the notice must say so.
 - c) NCLC is also required to adhere to requirements for qualified appraisals and filing of Form 8283 for non-cash gifts of \$5,000 or more.

Appendix 27: Accurate Representations

All representations made in promotional, fundraising, and other public information materials are accurate and not misleading with respect to the organization's accomplishments, activities, and intended use of funds. All funds are spent for the purpose(s) identified in the solicitation or as directed in writing by the donor.

- 1) **Representations.**

All of NCLC's communications, outreach, and fundraising will be accurate and complete, representative of our work, and clear about our obligations to our donors.
- 2) **Use of funds as specified.**

NCLC will specify to the donor what funds are being raised for, and then use the funds for that purpose.

3) **Surpluses.**

When NCLC is raising funds for a restricted purpose and only needs a certain amount to accomplish the goal, the trust will specify what will be done with additional funds should there be a surplus.

4) **Matching funds.**

If the trust is raising funds to meet a match (for example, every dollar given will be matched and therefore doubled), it will indicate the total that must be raised to meet the match and what will happen to donations received in excess of that.

5) **Shortfalls.**

In the event that a match is not met or a planned property acquisition falls through after money has been raised for it, some land trusts contact donors and ask them if they would like their donation to be returned to them or go towards another cause (for example, NCLC's general operating expenses). Depending on the circumstances, NCLC might want to consider doing this (it becomes quite difficult if there are many donors, and it is not required if there was clarity on the possible alternative uses of the funds during fundraising).

6) **Pledges.**

If NCLC is unsure of its ability to raise sufficient funds for a project (such as a threatened parcel which needs to be purchased within a short period of time), it has the option of asking for pledges instead of outright donations. If it becomes certain that the project will materialize, then NCLC will call in the pledges.

7) **Donor-restricted gifts.**

When NCLC is offered donations of money for specific projects or donations of land, the Trust first considers whether it is able to use the donation as the donor intends. If not, NCLC will explore what the donor wants to accomplish through the gift, while at the same time clarifying the Trust's mission, programs, and needs. If NCLC cannot honor the donor's wishes, the gift will be refused.

Appendix 28: Summary of NCLC's Fundraising Program

Fundraising is a group effort at North Coast Land Conservancy. It is the responsibility of the Board of Directors to ensure that NCLC is financially healthy. The Trust expects every board member to actively recruit new donors and we appreciate the assistance and attendance of board members at major fundraising functions. NCLC's fundraising plan is described in detail in Goal 4 on page 4 of the Strategic Plan for 2016-2020. This plan will be renewed every three years. Below are some key points in NCLC's fundraising program.

1) Funding Sources

- a) *Individual Donations*. Cumulative giving of \$999 or less in a year is considered an
- b) individual donation. Individuals represent a major source of funds for supporting NCLC's operations and program services. Individual donors are an important source of real dollars as well as our advocates in communities. This group is cultivated through regular mission-specific communications and opportunities to provide feedback and actively engage with NCLC throughout the year.
- c) *Major Donations*. Cumulative giving of \$1,000 or more in a year is considered a major donation. Growing NCLC's major donor population is fundamental to NCLC's future.
- d) *Grants*. Grants provide financial assistance to NCLC from private foundations, government agencies and corporations. This financial assistance can come in the form of money, property, or technical assistance in lieu of money. State and federal grants have been a major source of funding for specific projects and acquisitions in the past.
- e) *Investment Income*. Investment income is the portion of NCLC's revenue that is derived from its investments, including interest and dividends on stocks and bonds. These funds are invested to generate a dependable source of interest income for long-term management of resource properties. Growing this investment pool will be a priority as the capacity of the organization grows.
- f) *Conservation Services*. Conservation services provided by NCLC enable individuals, community groups, or cities to perform their statutory powers, duties, and functions related to the conservation of endangered landscapes and species. In exchange for these services, NCLC is able to charge a fee-for-service to support the work of the organization. Over the years NCLC has provided professional conservation services for various groups, most often municipalities. This does provide a high value income for services and can be done on a limited basis-where the need for the service is linked to conservation-based projects being conducted by municipalities.

2) Desired Fundraising Outcomes

- a) *Increased total revenue*. Financial growth is the limiting factor for increasing the pace of conservation efforts. Therefore, NCLC is committed to growing the revenues available to support programs by a total of 40% from 2005-2010. These funds are likely to be leveraged many times over in land protection funds.
- b) *Stability of funding from all sources with increased predictability*. The work of the Conservancy is long-term. Stability is vital to ensure the organization's ability to plan ahead, sustain programs, and maintain continuity within landowners and community leaders over time.
- c) *High percentage of unrestricted revenue*. Some of the most important efforts for the Conservancy will require flexibility and opportunistic thinking. Therefore, unrestricted revenue is essential for program flexibility and to respond to emerging needs and opportunities. It is very

important to invest in revenue approaches that ensure a high percentage of unrestricted revenue while also seeking restricted funding for specific activities.

3) Fundraising strategies for growth

North Coast Land Conservancy has adopted specific strategies to achieve revenue growth and other fundraising outcomes. These strategies attempt to bring our most creative and innovative thinking to our effort to raise money.

- a) Be informed of the mission of the organization, the way the resources will be used, and how to use donations effectively for their intended purposes.
- b) Create a strong program of fundraising from individuals and other non-grant sources.
- c) Commit to a fundamental capacity-building initiative.
- d) Invest in professional staffing capacity to support fundraising.
- e) Develop the capabilities of the Board of Directors to lead major donor fundraising efforts.
- f) Diversify revenue sources to minimize reliance on any single source of revenue, especially for non-capital expenses.
- g) Emphasizes long-term relationships in all efforts to raise funds.
- h) Seek multi-year commitments to support programs when requesting support from donors and grantors.
- i) Cultivate legacy giving and steward participants.
- j) Grow recurring donor base to aid predictable annual income.

4) Fundraising Policies

a) *Conservancy Contribution Program*

Anyone who has within the last 12 months given a cash contribution of any amount, or an in-kind contribution that provides benefit to the work of the Conservancy, will be considered a *contributor* of North Coast Land Conservancy. This does not convey any rights or privileges for decision-making. Those donors whose cumulative contributions exceed \$1,000 within 12 months will be classified as *major donors* to NCLC. Donors will be recognized according to their giving level.

b) *Board Fundraising*. The board will provide direct support in fundraising activities. This support will be coordinated by the Major Gifts Committee, which will make recommendations to the board regarding the appropriate activities and roles for involvement of board members.

c) *Fundraising Plan*. NCLC will renew its fundraising plan on a regular basis. The plan will define fundraising outcomes, strategies, and activities based on the programs and priorities established in the strategic plan. The plan will create a framework within which all fundraising programs will take place. Each plan will include a review of existing fundraising policies and offer recommendations for revisions and additions. The Board of Directors will be responsible for approving the plan.

d) *Restricted Grants and Gifts*. Contributions accepted by the Conservancy will be used to support the mission and goals of the organization. The Conservancy will accept restricted contributions from most sources, so

long as the grant or gift is consistent with the mission, goals, and program priorities established in the strategic plan and fundraising plan. Any donation offered in exchange for an endorsement, sponsorship, or similar commitment to a donor, must be approved by the board prior to acceptance.

Appendix 29: Annual Budget & Fiscal Health

NCLC prepares an annual budget that is reviewed and approved by the board, and is consistent with board policy. The budget is based on programs planned for the year. Planned expenses are less than anticipated revenue, unless reserves are deliberately drawn upon.

NCLC's annual budget is to be reviewed and approved by the full board every year. Budgets should track the annual program plans for NCLC and should be in line with a multi-year framework budget and/or fundraising plan. Because NCLC must be sustainable indefinitely in order to preserve the lands we steward, our organization must place priority on long-term financial stability and maintain an operating reserve to sustain NCLC during difficult fiscal years. Operating at a deficit or tapping into our reserves should be done only after careful consideration by the board of directors.

1) Developing the Annual Operating Budget

- a) NCLC's annual budget translates our yearly organizational goals into monetary terms.
- b) Budgeting involves evaluating the previous year's performance, setting goals for the upcoming year, monitoring progress toward those goals, and making adjustments as necessary along the way. The annual budget is NCLC's foundation for financial management each year.
- c) The development of NCLC's yearly budget starts several months before the budget year begins. The board may set overall budget parameters, after which the treasurer is responsible for creating the budget in collaboration with the finance committee. The board must approve the final annual budget. The five primary steps in developing an annual budget are as follows:
 - i) Develop annual work plans
 - ii) Determine the costs of carrying out the annual plan
 - iii) Make income projections
 - iv) Compare expenses to income and adjust as necessary
 - v) Have the board review and approve the budget

2) Capital Budget

- a) Major capital projects, such as procuring land or a building, generally should be budgeted separately from the annual operating expenses. This allows for clearer planning and analysis of the capital fundraising effort.

3) Long-Range Financial Planning

- a) The long-range financial plan provides overarching income and expense assumptions for the organization over time. This budget should be prepared as part of NCLC’s strategic plan every three years. This long-range budget may project future staff and program growth and/or set goals for long-term membership development.

4) Operating Reserve

- a) NCLC has established a reserve for operations. It is NCLC’s goal to maintain this operating reserve at a level equal to one year’s operating expenses.

Appendix 30: Easement Cost Estimates Procedure

NORTH COAST LAND CONSERVANCY

EASEMENT COST ESTIMATES PROCEDURE

Conservation Easement Stewardship Contribution Calculation Formula

Landowner Name: _____

Acres to be Conserved: _____

Existing Residences: _____

Total Permitted Residences: _____

Other Factors / Reserved Rights:

Billing Rate Hours Total Cost

Billing Rate

Hours

Total Costs

Annual Monitoring Visit:

++Monitoring Preparation

\$ 45 _____ X

_____ =

_____ \$ _____

Travel

\$ 45 _____ X

_____ =

_____ \$ _____

Site Visit

\$ 45 _____ X

_____ =

_____ \$ _____

++Post-Visit Documentation

\$ 45 _____ X

_____ =

_____ \$ _____

Inspection Subtotal

\$ NA X

= _____
\$ _____

Ongoing CE Administration:

CE Defense Insurance Premium

\$ 45 X

= _____
\$ _____

+Secretarial

\$ 45 X

= _____
\$ _____

++General Communication & Inquiry

\$ 45 X

= _____
\$ _____

++Monitoring Follow-up

\$ 45 X

_____ =
 _____ \$ _____

Administration Subtotal

\$ 45 _____ X

 _____ =
 _____ \$ _____

+ Minimum 1 hr.

++ Minimum 1 hr. per primary residence plus 1/2 hr. per additional residence

Likelihood of Enforcement:

FACTORS	SCORE
Number of Permitted Uses Requiring Additional Trust Staff Time (0-5)	
Number of Property Splits (2 points per split)	
Number of Additional Residences (1 point per residence)	
Number of Excluded Tracts (1 point per exclusion)	
Incompatible Land Use on Adjacent Properties (0-5 based on perceived threat)	
Property Allows for Public Access (0-5 based on anticipated levels of use)	
Publicly Owned Property (3 points)	
Total Points	

<u>Score Range</u>	<u>Enforcement Need</u>
0-3	\$1,000
4-7	\$1,500
8-11	\$3,000
12-14	\$6,000
15+	\$12,000

ENDOWMENT SUBTOTAL (Insp + Admin ÷ .05):

\$_____

ENFORCEMENT SUBTOTAL:

\$_____

LEGAL DEFENSE RESERVE (\$5,000 minimum):

\$_____

TOTAL REQUESTED EASEMENT ENDOWMENT:

\$_____

Appendix 31: Fee Land Calculation Policy

1. Standard Calculation:

Management % X Acres X Property value per acre = Stewardship payment

Example:

Passive (15%) X 30 acres X \$2,000 per acre = \$9,000.00

The Board of Directors shall have the discretion to cap the stewardship payment if the total is larger than expected management costs.

2. Minimum Stewardship Calculation:

A minimum stewardship calculation is meant to ensure the land trust can cover its costs, no matter the property size, for yearly site visits and property reports. The Board of Directors shall have the discretion to except less than the minimum stewardship calculation if:

1. The property is adjacent to or part of an existing network of NCLC properties
2. Acquisition of the property will not greatly increase NCLC's stewardship obligations

The minimum stewardship calculation is based on the time it takes for NCLC to perform a site visit and property report, averaged at 8 hours per year per property. NCLC takes the current base billing rate for employee's times the average of eight hours per site visit. In order for NCLC to generate enough interest, using an average 3% interest, NCLC requires a minimum amount for stewardship of a property no matter the size. The minimum calculation is be increased by 5% as the level of management responsibilities increase. Below are the minimum calculations for each level of management.

Protection Property Calculation:

Minimum total X 3% = 8 hours X base billing rate

Example:

Minimum total X .03 = 8 hrs. X \$26.50

7,066.00 X .03 = \$212.00

Minimum payment = \$7,066.00

Passive Management - increased by 5% from Protection property. \$7,419.00

Active Management - increased by 5% over Passive Management property.
\$7,772.60

Appendix 32: Funds for Stewardship and Enforcement

NCLC has a secure and lasting source of dedicated or operating funds sufficient to cover the costs of stewarding its land and easements over the long term and enforcing its easements, tracks stewardship and enforcement costs, and periodically evaluates the adequacy of its funds. In the event that full funding for these costs is not secure, the Board will adopt a policy committing the organization to raising the necessary funds. (See Practices 11A and 12A.)

Stewardship Dedicated Fund Policy

NCLC collects and holds funds that are dedicated to provide income for ongoing support of its preserves and conservation easements. It is NCLC's goal that such funds should remain intact, though the income generated by investment of the funds may be used to accomplish NCLC's stewardship goals. All land transactions must include a funding plan for stewardship that is reviewed by the Conservation Committee and approved by the Board of Directors. Stewardship funding is calculated differently for fee properties and conservation easements (Appendices 30-31) a withdrawal from the Stewardship Dedicated Fund can only be done with full approval of the Board of Directors.

Withdrawals

NCLC will use the budgeting process to determine how stewardship fund interest will be reinvested and used each year. Funds taken out for use are not to exceed the annual interest of the stewardship fund.

Money for Enforcement

NCLC asks for enforcement monies as part of the conservation easement stewardship calculation (Appendix 30), with a minimum of \$5,000 per property. NCLC has enrolled in TerraFirma, a charitable risk pool affiliated with the Land Trust Alliance, which affords NCLC additional enforcement insurance coverage for its conservation easements.

Evaluating and Tracking Stewardship Costs

NCLC will track its funds for stewardship and evaluate how these funds are spent.

Amended by the Board of Directors: May 8th 2015

Thomas S. Horning
Board Secretary

Appendix 33: Financial Records

NCLC keeps accurate financial records in a form appropriate to its scale of operations and in accordance with Generally Accepted Accounting Principles (GAAP) on an accrual basis.

1) Accurate Records

The North Coast Land Conservancy's financial records are clear, accurate, and compliant with "generally accepted accounting principles" (GAAP). NCLC relies on the expertise of an accountant to ensure that our organization complies with GAAP. The organization's annual tax returns (IRS Form 990 and Oregon Form CT-12) are prepared in a manner consistent with applicable government regulations. Accounting records are maintained in a publicly available location for access by board members, friends of NCLC, and any inquiring members of the public.

2) Accrual Accounting

NCLC uses accrual accounting rather than cash accounting.

3) Preparation of Financial Records

The Executive Director and Treasurer are responsible for securing a bookkeeper with the approval of the Board. The Board of Directors establishes the level of authority over financial records given to the Executive Director. The Treasurer is in service to the Board of Directors, who holds the ultimate responsibility for financial records.

4) Internal Controls

The organization has accounting procedures and internal controls appropriate for the scale of the organization which are detailed more fully in Practice 6E

5) Budget

The finance committee creates a budget and recommends it to the board annually for approval. The monthly financial statements compare budgeted results to actual results.

6) Restricted Funds

The organization appropriately tracks unrestricted and restricted funds. The organization has clear descriptions of the allowed uses of, and any restriction on, the dedicated and restricted funds it holds.

7) Independent Review

The organization's financial statements are audited by a certified public accountant. Upon conclusion of the audit, any recommendations to management by the auditor are reviewed by the finance committee and the Board of Directors, and appropriate changes in the accounting system or internal controls are implemented.

Appendix 34: Fiscal Policies and Procedure Manual

GENERAL PURPOSE

This manual has been designed as a reference for the staff and Board of Directors of North Coast Land Conservancy (NCLC), a non-profit organization under Section 501(c)(3) of the Internal Revenue Code, incorporated in the State of Oregon.

This manual includes financial policies and procedures established by the Board of Directors and/or its committees. It has been designed to supplement the organization's Standards and Practices manual, providing additional details regarding day-to-day financial operations and fiscal decisions to facilitate responsible and effective management of NCLC.

This manual should be reviewed and updated as needed at least annually by the NCLC's Finance Committee.

1) ROLES & RESPONSIBILITIES

a) BOARD OF DIRECTORS

- i) The Board of Directors is responsible for ensuring the long-term financial stability of NCLC in accordance with the organization's strategic plan, which shall be reviewed annually and adjusted as necessary.
- ii) It is the responsibility of the Board of Directors to formulate financial policies, delegate administration of such policies to staff, and review operations and activities on a periodic basis. The Board of Directors adopts the annual budget by board vote. The Board of Directors oversees the general financial administration of NCLC and relies on the

Executive Director for the day-to-day operations and financial decisions.

b) FINANCE COMMITTEE

- i) The Finance Committee, chaired by the Treasurer, shall be responsible for the oversight and coordination of the following: annual budget presentation for Board approval, presentation of monthly financial statements, management of fund investments, selection of the outside auditors, preparation of the annual financial report, maintenance of internal controls, and adherence to financial policies.
- ii) The long-term financial objectives for NCLC are reviewed and approved by the Board of Directors following the recommendations from the Executive Director of NCLC, the Finance Committee, and/or the Treasurer. Short-term revenue and expenditure objectives are recommended in accordance with Board-approved long-term plans, and the Finance Committee will develop the annual budget in cooperation with staff and other Board committees.

c) TREASURER

- i) The Treasurer, with the oversight by the Board of Directors, shall have the responsibility for ensuring the accuracy of the accounting records. This includes the oversight of the chart of accounts, reporting formats, cash receipts processing, accounts payable processing, payroll and benefits, general ledger entries and account reconciliations, tax return preparation, and any other accounting required.
- ii) NCLC utilizes the services of an outside accountant to perform many of these specific accounting duties. The Treasurer is responsible for ensuring that the outside accountant follows the policies and procedures outlined in NCLC's Standards and Practices manual and this policy manual.

d) STAFF

- i) NCLC's Executive Director is responsible for general and daily financial management and reporting. The Executive Director acts as the primary fiscal agent, implementing all financial policies and procedures, and ensuring that those policies and procedures are followed by staff. The Executive Director communicates regularly with the outside accountant regarding classification of receipts and disbursements and is responsible for ensuring that all required grant reporting is accomplished in a timely manner. In addition to general and daily management activities, the Executive Director develops and presents staff compensation recommendations to the Board of Directors for approval.
- ii) The Administrative Assistant assists the Executive Director with various transactional activities involving the preparation and processing of cash receipts and cash disbursements.

e) BUDGETING & REPORTING

- i) NCLC prepares both internal and external financial statements. NCLC's external financial statements shall be prepared on the accrual basis in accordance with Generally Accepted Accounting Principles (GAAP), and more specifically in accordance with standards of accounting and reporting established for non-profit organizations. The significant accounting policies and procedures followed by NCLC are included in this document, and will be revised as appropriate.

f) FINANCIAL STATEMENTS

- i) The presentation of the external financial statements shall follow the recommendation of the Accounting Standards Codification 958-205-20, "Not-for-Profit Entities, Presentation of Financial Statements, Glossary" (ASC 958-205-20). Under these presentations, net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of NCLC and changes in net assets shall be classified as unrestricted, temporarily restricted, and permanently restricted.
- ii) Unrestricted net assets, amounts that are not subject to donor-imposed stipulations, are resources available to carry out the purposes of NCLC in accordance with the limitations of its charter and bylaws. The principal sources of unrestricted funds are grants, contributions, and investment income.
- iii) Temporarily restricted net assets are those resources available for use for program services. They are expendable only for purposes specified by the donor or grantor, which purposes may or will be met by the actions of NCLC and/or the passage of time. Such resources originate from grants and contributions restricted for specific purposes or a specific future time frame. When a donor or grantor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.
- iv) Permanently restricted net assets are those resources that were received with a donor-imposed restriction that they be maintained permanently. NCLC is allowed to use up or to expend all or part of the income that is derived from the donated assets.
- v) The external financial statements shall be audited annually by an independent qualified financial professional. The audit report and associated comments for management are distributed to all members of the Board of Directors along with comments and/or plans for implementation from the Finance Committee.

g) INTERNAL REPORTING

- i) Monthly financial statement shall be prepared by the Finance Committee in a format requested by the Board of Directors. Such financial statements shall be prepared in accordance with GAAP; however, some information regarding allocations among unrestricted, temporarily restricted, and permanently restricted net assets may be omitted. The financial statements shall include a statement of

activities (aka income statement) and statement of financial position (aka balance sheet), as well as supporting schedules requested by the Board or otherwise considered necessary to provide a complete picture of NCLC's financial results and position. The financial statements will be reviewed by the Treasurer and the Executive Director prior to submission to the Board of Directors. The financial statements will then be submitted to the Board of Directors by the Treasurer for final review and approval on a monthly basis.

- ii) The outside accountant will also prepare a detailed report of all revenue and expense transactions for the year-to-date for review by the Treasurer and Executive Director as a tool for monitoring NCLC's activities and the classification of revenues and expenses among accounts and program areas in the general ledger and financial statements. Such report will be provided monthly when the monthly financial statements are prepared.

h) BUDGETING PROCESS

- i) The Finance Committee prepares an annual operating budget against which actual results of the organization can be measured.
- ii) The Executive Director develops and proposes revenue goals and expenditure plans with the assistance of staff and submits them to the Finance Committee prior to the preparation of NCLC's annual budget. The Treasurer ensures that a draft of the annual operating budget prepared by the Finance Committee is presented to the Board of Directors thirty (30) days prior to the end of the fiscal year. The Board of Directors approves the annual operating budget prior to the start of the fiscal year to which it pertains.

i) CASH MANAGEMENT

- i) Cash and cash equivalents include all cash balances and highly liquid investments with maturity of six months or less. NCLC places its temporary cash investments with highly rated financial institutions, which are closely monitored by the Treasurer.
- ii) NCLC may maintain multiple accounts to hold its liquid assets, including bank and investment accounts. These accounts may be changed as NCLC's financial conditions and requirements change. The Treasurer shall maintain and oversee bank and investment account arrangements. NCLC utilizes the services of a professional investment manager, whose performance is monitored by the Finance Committee.
- iii) Funds received by NCLC shall be promptly deposited in one of NCLC's bank accounts. Funds may be transferred from one account to another in keeping with NCLC's cash management and reporting needs. The Finance Committee shall use due diligence in overseeing NCLC's investments in accordance with NCLC's Standards and Practices, particularly Practice 6F regarding investment and management of financial assets and dedicated funds, which requires an investment strategy that gives proper recognition to risk and return.

iv) Bank and investment account statements will be reconciled with NCLC's financial statements monthly. Investments will be reported in the monthly financial statements at market value.

j) SIGNATURE AUTHORIZATION

- i) The Executive Director and the officers of the Board of Directors shall be authorized to sign all checks, drafts, or orders for payment of money issued in the name of NCLC.
- ii) All contracts or commitments for services in the name of NCLC and other legal obligations shall be signed by the Executive Director, Associate Director, Treasurer, or Chair of the Board unless otherwise decided by the Board of Directors.

2) CASH OPERATIONS

a) REVENUE RECOGNITION

- i) All contributions shall be recorded in accordance with GAAP, with specific attention to standards ASC 958-605-25. Contributions are recorded as pledged or received in accordance with ASC 958-605-25, and must be credited to the appropriate revenue accounts and program area in accordance with NCLC's chart of accounts.

b) CASH RECEIPTS

- i) Mail is picked up from NCLC's post office box, opened and sorted by NCLC's Administrative Assistant. Mail is then distributed to the appropriate personnel. All checks received are immediately endorsed "for deposit only" with NCLC's official bank stamp. The Administrative Assistant makes copies of all checks, prepares a deposit slip with the donors' names indicated, and takes deposits to the bank promptly. Checks shall not remain in the NCLC office for more than one week. The Executive Director shall periodically pick up the mail from the post office box.
- ii) Donor information is recorded in NCLC's donor database by either the Administrative Assistant or a designated volunteer. A second volunteer double-checks all entries for accuracy. Copies of the annotated deposit slips are provided to NCLC's outside accountant, who posts the deposits to the general ledger. Deposit tickets endorsed by the bank are also forwarded to the outside accountant, who matches them to the copies of the annotated deposit slips and files both in chronological order. The outside accountant reconciles the general ledger to the donor database monthly and follows up on any unexplained reconciling items with the Administrative Assistant and Executive Director.
- c) Acknowledgement letters are sent to all donors and contributors in accordance with IRS Guidelines. Monthly donor reports are provided to the Board of Directors. Donors are also listed in NCLC's annual report except when they request that their donations be anonymous.

- d) NCLC also receives donations through on-line payment services such as Greater Giving and PayPal. Reports of such donations are provided to the outside accountant on a regular basis and included in the monthly reconciliation to the donor database.
- e) In the rare event that a donation is made in cash, the NCLC staff member receiving the cash provides a cash receipt to the donor. Bank deposits containing more than \$50 of cash are made within a day of receipt.
- f) **CASH DISBURSEMENTS**
 - i) The Executive Director is authorized to make whatever purchases are needed for the day-to-day operation of NCLC in accordance with the approved annual organization budget, subject to the signature authorization limits noted earlier in this manual. Efforts shall be made to obtain competitive bids/pricing whenever feasible for purchases in excess of \$1,000. Independent contractors will be asked to complete IRS Form W-9 prior to payment.
 - ii) Any purchase made by a Board member on behalf of NCLC will require prior approval by the Executive Director and the Treasurer or Board President.
 - iii) Routine recurring disbursements, such as utilities and office supplies, do not require specific authorization once established. Support for such items is reviewed by NCLC's Administrative Assistant and forwarded to the outside accountant for payment and/or recording in NCLC's general ledger. Non-recurring disbursements are approved in writing by the applicable NCLC staff member and the Executive Director by notation on the supporting documents or an attached slip indicating recommended account coding. Such invoices and/or other supporting documents are forwarded to the outside accountant for payment and/or recording in NCLC's general ledger. Online purchases can be made by either the Executive Director or the Administrative Assistant using NCLC's credit card, which is retained by the Executive Director. Support for such purchases is forwarded to the outside accountant, who records the transactions in the general ledger and reconciles the credit card statement to the general ledger monthly. Use of NCLC's credit card for other purchases is limited to instances in which it is not practical to obtain an invoice for payment by check, generally for travel and business meal expenses. Receipts must be obtained and provided to the outside accountant whenever the credit card is used.
 - iv) Expenses pre-approved and directly related to NCLC business activities (mileage, meals, hotel, supplies, etc.) will be reimbursed to employees upon submission of applicable receipts and approval by the Executive Director. Business mileage will be reimbursed at the IRS standard mileage rate in effect at the time of travel. Business meals must be in accordance with IRS guidelines.
 - v) All expenditures shall be coded to the appropriate expense account and program area in accordance with NCLC's chart of accounts. Payments

are generally made in connection with original invoices only. All paid bills and other supporting documents shall be filed by the outside accountant with a copy of the check stub attached.

- vi) Blank checks are numbered sequentially and maintained in secure locations. Payments are generally prepared by the outside accountant on computer-printed checks. The Executive Director maintains a small checkbook for instances in which an immediate payment is needed and the amount required is too large to permit use of the petty cash fund, generally postage purchases connected with large mailings. In such instances, the Executive Director provides a copy of the check written to the outside accountant along with the supporting documentation or receipt so that the disbursement can be properly recorded in the general ledger.
- vii) Voided checks shall be boldly marked "VOID" in ink across the face of the check. Voided check shall be filed with the bank statements for review by the outside auditor as needed.

g) PETTY CASH

- i) A petty cash fund provides a systematic method for paying and recording out-of-pocket cash payments too small to be made by check. NCLC maintains a \$250 petty cash fund that is replenished as needed.
- ii) The Administrative Assistant shall maintain control of, and responsibility for, NCLC's petty cash fund. Expenditures reimbursed from the fund should not exceed \$25. An appropriate receipt is required for any disbursement from the fund. When the fund requires replenishment, the Administrative Assistant shall bring the accumulated receipts and the cash remaining in the fund to the outside accountant, who will reconcile the fund and record the disbursements in the general ledger.

h) PAYROLL-RELATED TRANSACTIONS

- i) Payroll is processed by an outside accountant in accordance with NCLC's personnel policies. Paychecks are issued monthly by the 5th day of the month following the month in which hours were worked. Payroll expenses are recorded in NCLC's financial statements in the month the services were provided.
- ii) NCLC staff will prepare and submit timesheets showing their activities for each month to the Executive Director by the first day of the following month. The Executive Director will review and approve all such timesheets and forward them to the outside accountant for payment on payday.
- iii) The outside accountant is responsible for ensuring that all payroll taxes and other employee deductions are remitted to the appropriate agency or vendor in a timely manner.
- iv) NCLC's accrual for personnel leave earned by not taken shall be adjusted at the end of each fiscal year.

v) It shall be the responsibility of each supervisory employee to ensure that employees under their supervision who resign, are terminated, or are retiring pay any amounts due to NCLC and return all NCLC property in their possession before a final paycheck is issued.

i) BANK RECONCILIATIONS

i) Bank statements will be reviewed by the Executive Director and forwarded to the outside accountant for reconciliation with the general ledger. Copies of the bank reconciliations shall be retained for review by the outside auditor as needed.

ii) Any check outstanding for more than six months will be voided. If needed, a stop payment request shall be made to the bank.

3) OTHER POLICIES & PROCEDURES

a) CONFIDENTIALITY AND RECORDS SECURITY

i) Financial records are restricted materials with limited access. Only the Executive Director, the Treasurer (or others so authorized by the Board), and the outside accountant shall have access to financial records such as bank statements, vendor files, payroll records, etc.). All payments, transactions and invoices shall be filed with supporting documentation by the outside accountant, and such files should be kept confidential.

b) CONTRACTS AND LEASES

i) Contracts and leases obligating NCLC to make payments to a third party for a period of more than one year and/or more than \$8,000 require approval by the Board of Directors. Contracts and leases below this threshold may be executed by the Executive Director.

ii) Leases should correspond to NCLC's fiscal year whenever possible. Copies of all executed leases should be provided to the outside accountant for recording in NCLC's general ledger.

c) COST ALLOCATIONS

i) Whenever possible, NCLC expenses are recorded in the program areas to which they apply. Certain shared costs may be allocated to program areas based upon a cost allocation formula established by the outside accountant and monitored by the Executive Director and Treasurer. Cost allocations shall be consistent from year to year unless change is needed to reflect administrative or programmatic changes. The outside accountant will maintain a record of cost allocations for review by the outside auditor as needed.

d) DONATED MATERIALS AND SERVICES

- i) Donated materials and equipment shall be reflected in the financial statements at their estimated values measured on the date of receipt.
 - ii) Donated services are recorded in accordance with GAAP. Services that are material and either create or enhance nonfinancial assets and services that require specialized skills are recorded in the financial statements. Other services rendered by volunteers, while of significant benefit to NCLC, are not recorded in the financial statements.
- e) DONOR-IMPOSED CONDITIONS
- i) Contributions may be received with donor-imposed restrictions. Some restrictions permanently limit NCLC's use of contributed assets. Other restrictions are temporary in nature, limiting NCLC's use of contributed assets to (a) a later period or after a specific date (a time restriction), (b) a specific purpose (a purpose restriction), or (c) both.
 - ii) Restrictions may (a) be stipulated explicitly by the donor in a written or oral communication accompanying the contribution or (b) result implicitly from the circumstances surrounding receipt of the contributed asset - i.e., making a gift to a capital campaign whose stated objective is to raise funds for a new building.
 - iii) Transfers of assets and promises to give with donor-imposed conditions are recognized as contribution revenue when the conditions have been substantially met or when the conditions have been explicitly waived by the donor, i.e., a contribution of cash or a promise to give cash in support of a proposed program would be recognized when the program is undertaken. Transfers of assets with donor-imposed conditions are reported as refundable advances until the conditions have been substantially met unless the likelihood of not meeting the conditions is remote. In such cases, the transfer of assets with donor-imposed restrictions would be recorded as a restricted contribution.
 - iv) Unconditional contributions received without donor-imposed restrictions are reported as unrestricted support that increases unrestricted net assets. Contributions received with donor-imposed restrictions are to be reported as restricted support that increases permanently restricted or temporarily restricted net assets, depending on the nature of the restriction.
- f) GRANT BILLING AND CONTINGENCIES
- i) NCLC receives some grants that consist of a promise to pay upon completion of specified activities. It is the responsibility of the Executive Director to ensure that the services rendered by NCLC and its subcontractors are tracked and billed in accordance with the requirements of the granting agency or organization. The Administrative Assistant will maintain spreadsheets showing the amounts to be billed, costs incurred, and amounts actually billed. Billing may be accomplished using an agency-provided form, in which case, a copy of the form and related spreadsheet will be provided to the outside accountant for reconciliation to and recording in the

general ledger. In other instances, the outside accountant may generate an invoice based on the tracking spreadsheet or other supporting documentation. Such invoices are given to the Executive Director for approval before being sent to the granting agency or organization.

- ii) Other grants involve funds provided with a stipulation that certain conditions be fulfilled as set forth in the related instrument. Failure to fulfill the conditions could result in the return of funds to the grantors. It is the responsibility of the Executive Director to oversee the fulfillment of grant conditions. All grants shall be properly acknowledged in accordance to IRS regulations and all grantors shall be properly recognized.

g) INCOME AND OTHER TAXES

- i) NCLC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as amended. Accordingly, no provision for income taxes is reflected in the financial statements.
- ii) NCLC's Treasurer is responsible for ensuring that the outside accountant prepares all required payroll tax returns, information reporting returns (such as Form 1099), the annual Form 990 and required schedules, and the annual Form CT-12 required by the Charitable Activities Section of the Oregon Department of Justice.
- iii) NCLC's Executive Director is responsible for ensuring that NCLC makes all required property tax payments. A list of all owned properties shall be maintained and updated by the Conservation Director or a designated staff member. Such list shall be reviewed annually to ensure that all applicable property tax bills have been received and paid.

h) INSURANCE AND BONDING

- i) Reasonable and adequate coverage will be maintained to protect NCLC's interests as well as the Board of Directors and NCLC's employees. The following insurance policies shall be maintained: Commercial Property Insurance, Commercial General Liability Insurance, Commercial Auto Insurance, Directors and Officers Liability Insurance, Business and Management Indemnity Insurance, Workers Compensation Insurance, and Employees' Health Insurance.
- ii) Insurance policy terms shall correspond with NCLC's fiscal year whenever possible. Insurance policies shall be carefully reviewed by NCLC's Executive Director and Treasurer before renewal each year. All NCLC employees shall be bonded through an employee dishonesty bond policy. In addition, board members who have the authority to handle money shall be bonded by a reputable bonding company. Bonding insurance shall be reviewed and approved by the Treasurer and the Finance Committee and shall last for the length of the officers' appropriate terms.

i) LAND

- i) A significant portion of NCLC's assets consist of land. Deeds, titles and other evidence of land ownership are retained in NCLC's safe deposit box, and electronic copies of such documents are also retained.
- ii) When NCLC acquires a new piece of property, the Associate Director will complete a "Property Acquisition Accounting Checklist," identifying the significant information needed to properly record the purchase of the land in NCLC's financial statements. Purchase lands are recorded at cost, and donated lands are recorded at appraised value plus costs to acquire the property. When an appraisal has not been completed, NCLC will use applicable property tax records to establish the fair market value of the land. Copies of the closing statement and/or appraisal and/or other supporting documents will be attached to the Property Acquisition Accounting Checklist and forwarded to the outside accountant for recording in the general ledger. NCLC's land inventory will be reconciled with the general ledger annually.

j) OTHER PROPERTY AND EQUIPMENT

- i) NCLC records property and equipment with a useful life of more than one year and a value in excess of \$500 at historical cost (if purchased) or estimated fair market value (if donated). Depreciation is computed over the estimated useful lives of the assets using the straight-line method. A depreciation schedule is maintained by NCLC's outside accountant. The depreciation scheduled is reviewed with the Executive Director annually to ensure that any additions or retirements have been accounted for. Equipment with a useful life of less than one year or a value of less than \$500 are expensed.
- ii) Purchase, installation and maintenance of telephone equipment, telephone lines, office equipment, computer equipment shall be approved by the Executive Director, unless it involves a commitment requiring Board of Director approval. NCLC Staff shall be responsible for receiving and supervising the installation of equipment scheduled for their facility or working area, and for maintaining and protecting the equipment installed in their offices. The Stewardship Director has the responsibility of ensuring that equipment and supplies used in NCLC's stewardship activities are properly maintained and safeguarded.

Adopted by the Board of Directors: May 8th 2015.

Thomas S. Horning

Board Secretary

Appendix 35: Incident/Injury Report Form

NORTH COAST LAND CONSERVANCY INCIDENT/INJURY REPORT FORM

This form should be completed for every incident, accident, work caused illness, dangerous event, near miss, significant first aid treatment, property damage, or hazardous activity. "Near miss" is an incident that could have caused serious injury or extensive damage to property, but did not. Give this form to the North Coast Land Conservancy's Executive Director.

If incident only: fill in sections A and D

If an injury has occurred: the entire form must be completed

<i>Office Use Only</i>					
Incident				Date	
Name of Injured person:			Incident		

Section A: Details of incident

Injury Work related Non work-related Property damage
 illness illness
 Dangerous event Electrical incident Environmental incident Near miss

Name of person completing report:

Name:		Contact telephone:	
Date incident occurred:		Time incident occurred:	am / pm

Incident occurred while:

At work Traveling to/
 from work On meal break Other

Date reported:

Reported to:

Site of Incident:

Exact location details: (external area, building, room, etc.)

What happened? (What were you doing at the time of the incident? Briefly describe how it happened.)

Were any government agencies called to the incident? e.g. police, fire services, etc.

No Yes (if yes provide details)

List any witnesses: (names, telephone contact details, ID No if applicable)

Section B: Details of injured person and injury

Family Name:		Given name/s:	
Student/Staff Address:		M F	
Date of birth:		Telephone:	
Position title:		School/Element:	

Employment status:

Details of treatment required:

None	Self	First aid*
Seen by medical doctor	Hospital	

*Describe first aid treatment given:

Nature of injury:

Allergy or sensitivity	Exposure effects heat/cold	Occupational overuse injury
Amputation	Fainting	Poisoning/toxic effects
Asphyxiation	Foreign body	Post - traumatic shock
Bruising	Fracture/dislocation	Psychological disorder/stress
Burn / scalds	Hearing loss	Puncture
Communicable disease	Hernia	Respiratory
Concussion or other neuro injury	Internal injuries	Skin condition e.g. dermatitis/ eczema
Contusion/crush	Laceration/deep cut	Superficial wound or abrasion
Damage to artificial aids	Multiple injuries	Sprain/strain
Electric shock or effects	Nausea/vomiting	Vision impairment

Part of body affected:

		Left		Right	
Head	Neck	Forearm	Chest	Buttock	Shin/calf
Face	Shoulder	Wrist	Back	Thigh	Ankle
Ear	Upper arm	Hand	Stomach / trunk	Knee	Foot/toe
Eye	Elbow	Fingers/ Thumb	Groin/hip	Internal	

Further description of injury/illness (if required):

Agency of injury:

Animal/Insect	Mobile plant/equipment	Radiation
Biological agent (eg pathogens)	Needle/sharp	Repetitive work
Chemical	Noise	Situation – violence, assault
Electrical	Non-power tool	Surface (slippery/rough)
Explosion/implosion	Objects	Thermal (heat/cold)
Lifting/ Carrying	Power tools	Vehicle/transport
Machinery/fixed plant	Psychological/social	Workstation design
Other (please specify):		

Action/mechanism that caused injury:

Exposure to biological material	Fall from height	Muscle stress – repetitive
Exposure to chemicals	Hit by/trapped in moving object	Noise
Exposure to electricity	Hitting object	Pressure
Exposure to heat/cold	Insect/animal bite	Slip/trip <i>requires further investigation</i>
Exposure to radiation	Mental stress factors	Vehicle accident
Exposure to vibration	Muscle stress- loads	
Other (please specify):		

Section D: Acknowledgements

(This signature confirms that notification of the above incident has been received)

Executive Director, NCLC:

Name:					
Comments:					
Date:		Telephone:		Signature:	

NCLC personnel present at the time of the incident/injury:

Name:					
Comments:					
Date:		Telephone:		Signature:	

In the case of incidents or accidents that were significant, NCLC's President also needs to be notified and verify that they reviewed this report

President of NCLC:

Name:					
Date:		Telephone:		Signature:	

Appendix 36: Liability Release Form

NORTH COAST LAND CONSERVANCY LIABILITY RELEASE FORM

The North Coast Land Conservancy
PO Box 67
Seaside, OR 97138

Liability Release

I, _____, have volunteered to assist the North Coast Land Conservancy, a nonprofit conservation organization, organized and existing under the laws of the District of Columbia (the "Conservancy") at events held by the North Coast Land Conservancy in the state of Oregon.

I have volunteered my time and my services because of my support for the Conservancy and because of my desire to participate actively in the furtherance of that work. I understand that my activities as a volunteer may entail a risk of physical injury or death, and I may be exposed to hazards including, by way of illustration but not limitation; weather, travel over bodies of water, unimproved topographic hazards such as cliffs, ravines, caves, loose or falling rocks, poisonous insects, reptiles or plants, wild animals, fire (including intentionally set fires for biological management) and hazards associated with strenuous manual labor. I understand and assume all such risks.

I agree to abide by all the rules and regulations of the North Coast Land Conservancy regarding safety and use of any and all equipment. I understand that no drugs or alcoholic beverages are to be consumed by volunteers during volunteer activities and that I will be asked to leave the premises if suspected to be under the influence of same.

On behalf of myself, my estate and personal representative thereof, my heirs and assigns, I hereby forever release the North Coast Land Conservancy, a nonprofit corporation, organized and existing under the laws of the District of Columbia, its officers, director, employees and agents, from any and all costs, claims, losses, liabilities or damages arising from or in any way related to, my service as a volunteer in the Conservancy events. I intend this release to be effective, regardless whether the claim of liability is asserted in negligence, strict liability in tort, or other theory of tort recovery. For myself, my estate and personal representative thereof, my heirs and assigns, I covenant and agree to make no claim, nor to institute any suit, action or proceedings against the Conservancy, its officers, directors, employees and agents, relating to my accident, incident or occurrence arising out of or in connection with my volunteer activities.

By signing this release, I also agree that the North Coast Land Conservancy may publish any photographs taken of me while volunteering.

IN WITNESS WHEREOF, I have executed this release as of _____, 20 .

Signature

Signature of Parent/Guardian (if participant is under 18 years old)

Appendix 37: Volunteer Program Framework

1) Objectives:

The objectives of the volunteer program are as follows:

- a) To use the time and talents of volunteers to assist the North Coast Land Conservancy in their work
- b) To be able to respond to requests from the community to volunteer with the organization

The objectives will be accomplished using the following steps:

2) Recruit/Respond:

- a) The staff will inform the Executive Director or the Volunteer Coordinator of the need for volunteers
- b) Volunteer needs will be highlighted on website and print material as appropriate for recruitment
- c) The Volunteer Coordinator will respond to requests from community members to volunteer with NCLC
- d) Potential volunteers will be thanked for their interest and sent an application that includes contact information, emergency contact information, interests, time availability, talents that can be shared
- e) To standardize volunteer information on file, all current volunteers will be asked to fill out a form with the above information, along with the year they began volunteering with NCLC

3) Orient:

- a) Upon NCLC's receipt of an application, the new volunteer will be invited to meet with the Executive Director and the Volunteer Coordinator to learn more about their interests and desire to volunteer with NCLC.
- b) New volunteers will be given an "Introduction to NCLC" packet, based on their particular interests, that will include some or all of the following:
 - i) The history and philosophy of NCLC
 - ii) How the organization works to accomplish its goals
 - iii) The organizational structure and lines of authority and communications chart
 - iv) Staff members and job descriptions
 - v) Names of Board members
 - vi) Organizational committees and descriptions of their activities
 - vii) Other volunteer opportunities as appropriate
- c) The Executive Director will present a group orientation to the organization ("NCLC 101") at least twice a year. This presentation would be open to new and current volunteers.

4) Train:

- a) The Executive Director or the Volunteer Coordinator will introduce the new volunteer to the staff members with whom they will be working

- b) The Volunteer Coordinator also will assist in helping the new volunteer to meet other volunteers working in the same area of interest
 - c) The Volunteer Coordinator will be available to the new volunteer to answer questions and support their efforts to become an NCLC volunteer
- 5) **Evaluate:**
- a) The Executive Director and the Volunteer Coordinator will meet as much as monthly to monitor the volunteer program
 - b) The Executive Director and the Volunteer Coordinator will meet occasionally with staff and committee chairs (who have volunteers working under their direction) to further monitor the program and to determine if the organization's needs are being met
 - c) NCLC staff will send out a yearly survey, asking volunteers to evaluate their experiences with NCLC, and use this information to improve the volunteer program
 - d) The Volunteer Coordinator, under supervision of the Executive Director, will respond to comments and suggestions about the volunteer program from both staff and volunteers on an ongoing basis
- 6) **Recognize:**
- a) The Volunteer Coordinator will establish a roster of volunteers that includes contact information, areas of volunteerism, the year they began volunteering with NCLC
 - b) The Executive Director will be responsible for establishing an online system for volunteers to use to keep track of their volunteer hours as a means to recognize the tangible real value that volunteers provide
 - c) The Executive Director and Volunteer Coordinator will organize two events each year to thank and recognize volunteers, one in the summer and one in the winter
 - d) The Executive Director and Volunteer Coordinator will be responsible for establishing a way of recognizing length of service of volunteers, as well as recognizing those who give a large number of hours on a yearly basis. (An example would be an etched glass mug to commemorate the years of service - a salmon for 5 years, a heron for 10 years, a beaver for 15 years - and a glass mug with a special thank you for 100 hours of service in a single year.)
 - e) The Volunteer Coordinator will be responsible, under the direction of the Executive Director, to send out a volunteer e-newsletter on a monthly basis that would include the following:
 - i) Thanking volunteers for the work they have been doing that month
 - ii) Sharing information on the volunteer activities of the various Outreach Committees and
 - iii) Stewardship volunteers, etc.
 - iv) Introducing new volunteers and/or staff members
 - v) A list of any current needs that NCLC has for volunteers
 - vi) As appropriate, current issues with which NCLC is concerned

Appendix 38: Volunteer Coordinator Job Description

The Volunteer Coordinator provides support to the Executive Director to facilitate the use of the time and talents of volunteers to assist NCLC in its work. Responsibilities include but are not limited to:

- 1) **Recruit new volunteers to fill roles as needed and respond to requests from the community to become NCLC volunteers**
- 2) **Orient and assist in training new volunteers thru a process that includes:**
 - a) Sending an application to potential volunteers and meeting with the volunteer to determine their interests in volunteering
 - b) Providing the new volunteer with an introductory packet of information on NCLC
 - c) Introducing the new volunteer to the staff member with whom they will be working and to other volunteers working in the same area
 - d) Being available to answer questions and otherwise support volunteers as needed
- 3) **Evaluate the program on an on-going basis by:**
 - a) Meeting with the Executive director to monitor the program on a regularly scheduled basis as well as meeting occasionally with staff and committee chairs to further monitor the program and to determine if the organization's needs are being met
 - b) Conducting a yearly survey asking volunteers to evaluate their experiences and using the feedback to improve the program
- 4) **Recognize the work done by volunteers by:**
 - a) Establishing a roster of volunteers
 - b) Working with Administrative Assistant to help the volunteers keep track of their volunteer hours using an on-line system
 - c) Organizing two events each year to recognize the work done by volunteers and establishing a means of honoring length of service as well as many hours of service in a single year
 - d) Improving communications with volunteers by sending out an e-newsletter on a regularly scheduled basis

Qualifications:

It would be helpful to have knowledge of NCLC and the volunteer roles within the agency as well as having communication and organizational skills.

Appendix 39: Working with Consultants

Contractor relationships are clearly defined, are consistent with federal and state law, and, if appropriate, are documented in a written contract. Contractors are familiar with the sections of NCLC's Standards and Practices that are relevant to their work.

The North Coast Land Conservancy may choose to hire consultants or contractors that can provide special skills that NCLC's staff does not have. NCLC's relationship with consultants and contractors should be clearly defined through a written contract. If the consultant or contractor is taking on many of the roles normally associated with a staff person, then NCLC should consult the appropriate federal and state labor and employment statutes to clarify the individual's status (contractor versus employee). Consultants working for NCLC should make themselves familiar with the NCLC Standards and Practices that are relevant to their work.

1) Contractor versus Employee⁷

The Internal Revenue Service provides criteria for use when assigning individuals employee or independent contractor status. Individuals qualifying as an independent contractor will often sign an Independent Contractor Agreement (see **Error! Reference source not found.**, pg. **Error! Bookmark not defined.**) and should be issued an IRS Form 1099 if total compensation in any one year is \$600 or more. The following are guidelines for determining employee versus independent contractor status:

- a) **Instructions.** A person who is required to comply with instructions about when, where and how to work is ordinarily an employee.
- b) **Training.** Training of a person by an experienced employee or by other means is a factor of control and indicates that the worker is an employee.
- c) **Integration.** Integration of a person's services into the business operations shows that the person is subject to direction and, accordingly, is an employee.
- d) **Services rendered personally.** If the individual employed must render the services personally, it suggests an employer-employee relationship.
- e) **Hiring, supervising, and paying assistants.** Self-employed persons usually hire, supervise, and pay their own assistants.
- f) **Continuing relationship.** The existence of a continuing relationship between an individual and the organization for which the individual performs services is a factor tending to indicate the existence of an employer-employee relationship.
- g) **Set hours of work.** The establishment of set hours of work by the employer is a factor indicating control and, accordingly, the existence of an employer-employee relationship.
- h) **Full-time required.** If workers must devote full-time to the business of the employer, they ordinarily will be employees. A self-employed person, on the other hand, may choose for whom and when to work.

⁷ Excerpt from, Land Trust Alliance. 2006. *The Land Trust Standards and Practices Guidebook: An Operating Manual for Land Trusts*. Vol. 1. LTA, Washington, D.C

- i) **Doing work on employer's premise.** Doing the work on the employer's premises may indicate that the worker is an employee, especially if the work could be done elsewhere.
 - j) **Order or sequence of work.** If workers must perform services in an order or sequence set by the organization for which they perform services, it indicates that the workers are employees.
 - k) **Oral or written reports.** A requirement that workers submit regular oral or written reports to the employer is indicative of an employer-employee relationship.
 - l) **Payments by hour, week, month.** An employee usually is paid by the hour, week or month, whereas a self-employed person usually is paid by the job on a lump-sum basis (although the lump sum may be paid in intervals in some cases).
 - m) **Payment of business expenses.** Payment by the employer of the worker's business or travel expenses suggests that the worker is an employee. Self-employed persons usually are paid on a job basis and take care of their own business and travel expenses.
 - n) **Furnishing of tools and materials.** The furnishing of tools and materials by the employer indicates an employer-employee relationship. Self-employed persons ordinarily provide their own tools and materials.
 - o) **Significant investment.** The furnishing of all necessary facilities (equipment and premises) by the employer suggests that the worker is an employee.
 - p) **Realization of profit or loss.** Workers who are in a position to realize a profit or suffer a loss as a result of their services generally are self-employed, while employees ordinarily are not in such a position.
 - q) **Working for more than one firm at a time.** A person who works for a number of persons or organizations at the same time is usually self-employed.
 - r) **Making services available to the general public.** Workers who make their services available to the general public are usually self-employed.
 - s) **Right to discharge.** The right to discharge is an important factor in indicating that the person possessing the right is an employer. Self-employed persons ordinarily cannot be fired as long as they produce results that measure up to their contract specifications.
 - t) **Right to terminate.** Employees ordinarily have the right to end the relationship with the employer at any time they wish without incurring liability. A self-employed person usually agrees to complete a specific job and is responsible for its satisfactory completion or is legally obligated to make good for failure to complete the job.
- 2) Selecting a Contractor and Securing a Contract
- a) NCLC has various options for how to recruit and select a contractor. One option is to prepare a written description of the work to be performed (referred to as the "Scope of Work"), to solicit bids from several contractors on this scope of work, and to evaluate the approaches to the project that contractors use and their costs. The final contracts need to

specify the work to be completed, the completion dates, and the payment schedules.

Appendix 40: Professional Services Agreement

This agreement is entered into by and between North Coast Land Conservancy, Hereafter referred to as North Coast, and _____, hereafter referred to as Provider, for the purpose of contracting for professional services;

Project description: _____

_____.

The parties agree as follows:

- 1. Services to be provided.** Provider agrees to provide services in the furtherance of the above described project as more fully set forth on EXHIBIT A, initialed by the parties and attached hereto.
- 2. Scope of work, additional services.** The Provider's services as set forth on EXHIBIT A, shall be the agreed upon maximum contract price for the services under this agreement, any additional or separate services requested by North Coast shall be compensable pursuant to such separate agreement and shall be attached as a new exhibit to this agreement in the form of a change order.
- 3. Compensation.** North Coast shall compensate Provider for services rendered on a monthly basis subject to actual billings received, and based upon the percentage of project completion to be verified by North Coast, before payment. Unless otherwise provided in EXHIBIT B, payment shall be due within 30 days of such verification and be subject to a ten (10%) percent hold back to be paid as part of the final payment upon completion of the agreed upon work. Specific payment terms and conditions for a project may be more fully set forth on EXHIBIT B, initialed by the parties and attached hereto.
- 4. Termination.** Either party may terminate this agreement upon 10 days prior written notice delivered to the other party at the address set forth herein, or such other address provided by the party for receipt of notices. Upon termination by North coast, payment shall be made based on work performed in accordance within the scope of services, including any funds held back under the terms of the agreement, immediately upon delivery of all products, information, maps, or other materials prepared by Provider under the agreement, with sufficient identification and background so that the work product, whether or not completed can be utilized by North Coast. In the event that the agreement is terminated by a party for cause, for failure of the other party to furnish and perform the services within the time and in the manner expressed in the proposal and this agreement, the remedies of the injured party shall be preserved as an additional remedy and shall not be deemed satisfied by the termination, provided that the breaching party is given ten (10) days advance written notice of the failure or breach and an opportunity to cure within such period, and the breach or failure to perform is not fully remedied within such period.

5. Attorney fees and costs. In the event of default under this Agreement, the defaulted party shall reimburse the non-defaulting party or parties for all costs and expenses reasonably incurred by the non-defaulting party or parties in connection with the default, including without limitation reasonable attorney's fees at the trial level or on appeal.

6. Ownership of products. Documents, plans, information, maps or other physical or computer generated information pertaining to North Coast's property or properties and this Project shall be and remain the property of North Coast

7. Miscellaneous. This Agreement shall be binding on and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties.

No waiver of any provision of this Agreement shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

This Agreement shall be governed by and shall be construed in accordance with the laws of the State of Oregon. Jurisdiction and venue shall be Clatsop County, State of Oregon.

As a condition precedent to litigation, the parties agree to mediate, in good faith, before a single mediator selected by the parties, or in the absence of agreement, in accordance with the current Construction Industry Mediation rules of the American Arbitration Association. The mediator's fee and filing fees shall be shared equally by the parties.

8. Entire Agreement. This Agreement constitutes the entire agreement between the parties pertaining to its subject matter and it supersedes all prior contemporaneous oral agreements, representations or understandings of the parties. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by all parties.

This Agreement is entered into this _____ day of _____, 20____

North Coast Land Conservancy

[Service Provider]

By: _____
Office:

By: _____
Office:

By: _____
Office:

By: _____
Office:

EXHIBIT "A"
SERVICES TO BE PROVIDED

BID, PROPOSAL OR COMPENSATION ARRANGEMENTS

Appendix 41: Job descriptions

Appendix 41a: Executive Director Job Description

NORTH COAST LAND CONSERVANCY

EXECUTIVE DIRECTOR JOB DESCRIPTION

Responsibilities

The Executive Director is responsible for the successful management of the North Coast Land Conservancy so that the organization may succeed in its mission to serve as a resource for northwest Oregon coastal communities and landowners to conserve and protect land in perpetuity for its ecological and cultural values.

All work of the Executive Director will comply with NCLC's Standards and Practices. The Executive Director's general work goals are to:

- Identify and acquire easement and/or title to resource lands
- Enhance public awareness of the NCLC mission
- Provide leadership for public education regarding natural resources
- Enter into partnership with, and provide facilitation and consultation services to, public and private entities
- Serve as a resource for community development
- Create an organizational infrastructure to ensure monitoring and management of lands in perpetuity

Description of Duties

Note: The percentages following each heading are expected to vary.

1) FUNDRAISING (10% of time)

- Work in conjunction with the Board and staff to develop and carry out a plan for raising funds adequate to meet the short-term and long-term needs of NCLC.
- In conjunction with the Development Director, identify potential grant projects and ensure timely application for appropriate grants.
- Develop and maintain positive relations with the funding community.
- Other duties as requested by the Board of Directors.

2) MANAGEMENT (30%)

- Work in conjunction with the Board and staff to develop annual organizational work plans and project budgets.
- Monitor the organization's annual budget and ensure that timely financial reports are provided to the Board of Directors.
- Supervise staff, contractors, and volunteers. These supervisory responsibilities include hiring, motivating, communicating with, fostering development of, and evaluating personnel.
- In conjunction with the Board Budget Committee (or its equivalent), oversee NCLC's record keeping and financial systems.
- Monitor all legal matters pertaining to the organization's non-profit status.

- Manage agreements with other entities, as approved by the Board, which help the organization fulfill its mission and goals. Provide regular reports to the Board regarding these projects.
- Work with the Board to develop materials and procedures for Board recruitment, orientation, and retention.
- Monitor consultant selection and evaluation, and contract compliance.
- Other duties as requested by the Board of Directors

3) STEWARDSHIP (20%)

- Work with the Stewardship Committee and Land Steward to develop short- and long-term plans for fee-title and easement properties.
- Implementation of short-term and long-term plans
- Other duties as requested by the Board of Directors

4) PROGRAM LEADERSHIP & DEVELOPMENT (30%)

- Develop, implement, and evaluate the overall program plan for the organization, working in conjunction with the Board.
- Develop and maintain mutually beneficial relationships with other environmental and land trust organizations.
- Develop and maintain successful working relationships with officials and land management agencies at the city, county, state, and federal levels.
- Serve as the organization's primary representative at meetings, conferences, etc.
- Other duties as requested by the Board of Directors

5) PUBLIC RELATIONS (10%)

- Promote the public awareness of NCLC within the target constituencies by developing and implementing an annual public education effort in conjunction with Board, staff, and appropriate community groups.
- Oversee the development and distribution of NCLC publications in conjunction with staff, volunteers, and Board.
- Act as the primary media spokesperson for NCLC, including public speaking engagements.
- Other duties as requested by the Board of Directors

Appendix 41b: Associate Director Job Description

ASSOCIATE DIRECTOR JOB DESCRIPTION

The Associate Director plays an integral role in the leadership team by providing leadership to for policy and conservation planning. This position both supports and is supported by the Executive Director and Board of Directors. The priority focus areas of the Associate Director are strategic organizational and conservation planning.

1) Organizational Development (25%)

- Work closely with Executive Director in strategic planning and long-range goal setting, work plans, and budgets
- Leads annual evaluation process for the board and provides semi-annual strategic plan progress reports
- Oversees Policy implementation and leads monthly policy review with board of directors.

2) Administration (25%)

- Supports Executive Director in preparation for and follow-up from board meetings
- Provides leadership to Finance and Organizational Development Programs and Committees.
- Reviews all contracts and develops contract templates; engages attorneys for contract review, when necessary.
- Updates and maintains all organizational papers including by-laws and articles of incorporation.
- Serves as acting Executive Director during Executive Director's absence.

3) Conservation Program (50%)

- Provides oversight to the Conservation and Stewardship programs
- Leads development and implementation of conservation plans and review processes within NCLC conservation initiative areas
- Manages the Conservation programs' budget and committee
- Oversees all acquisitions
- Supervises conservation assistant in conservation program task implementation.
- Oversees outside contractors and due diligence activities.

DESIRED SKILLSET

- Education in public planning and processes, natural resource management, ecology, or a related field
- Experience working or volunteering with a land conservation organization
- Experience with collaborative project leadership
- Background in easement and land purchase processes including legal requirements
- Experience in developing and writing grants, budgets, and demonstrated success in receiving public and private funding
- GIS mapping and analysis
- Experience with strategic planning

QUALITIES

- Good Listener
- Diligent
- Patient and persistent
- Non-judgmental relationship builder
- Creative problem solver
- Passionate about coastal conservation
- Desires long-term career commitment
- Engaging and respectful team member

This position works with the full NCLC team and reports directly to Executive Director Compensation: salary DOE

Monthly medical coverage contribution

Paid leave on accrual basis

Appendix 41c: Stewardship Director Job Description

NORTH COAST LAND CONSERVANCY (NCLC)

STEWARDSHIP DIRECTOR JOB DESCRIPTION

Responsibilities

The Stewardship Director is responsible for running the stewardship program for properties owned or managed by NCLC. This position is responsible for planning and implementing all biological inventories, monitoring, habitat enhancement, maintenance, and easement stewardship activities for NCLC properties. Duties include creation and implementation of management plans, annual site visits, creating annual actions plans and reports, grant writing and reporting, supervising assistants, overseeing contractors, and working with labor crews, volunteers and private landowners. Successful applicants will have strong administrative and organizational skills; will have a strong background in natural resource management; and will have on the ground practical experience in all facets of land management.

Description of Duties

1) ADMINISTRATIVE

- Develop and maintain property inventories and files
- Develop and administer the land stewardship budget
- Supervise any assistants and work crews
- Secure stewardship project funds through grants
- Oversee contracts, leases, and easement stewardship program

2) NATURAL RESOURCE MANAGEMENT AND ENHANCEMENT

- Develop and update stewardship plans for all NCLC managed properties
- Inventory and monitor natural resources on NCLC lands
- Work with partners conducting habitat enhancement and research on NCLC lands
- Oversee control of invasive species
- Develop and implement habitat enhancement plans
- Conduct annual easement monitoring

3) PUBLIC OUTREACH

- Manage volunteer program.
- Build cooperative, effective working relationships with conservation partners, agencies, municipalities, and private landowners.
- Report to NCLC Stewardship Committee and Board of Directors on land stewardship activities.

4) OTHER DUTIES

- As assigned by the Executive Director

Preferred Qualifications

- 3-5 years' experience in conservation land management, habitat enhancement, or natural resource management.
- Bachelor's or Master's degree in natural resource management, natural sciences, botany, hydrology or related field
- Understanding of current natural resource management techniques and issues
- Computer expertise with current word processing, spreadsheets, GIS and GPS programs and equipment
- Ability to operate field equipment such as trucks, chainsaws, weed eaters, spray equipment, chippers etc.
- Strong interpersonal skills with the ability to effectively and tactfully present information to and communicate with Board members, employees, public groups, regulatory agencies, neighbors and others
- Ability to write and edit
- Experience in budget preparation and administration
- Ability to meet job requirements with changing seasonal demands - working odd hours, weekends, and long days in adverse weather

conditions. Must hold a valid driver's license, current insurance, and have a good driving record

COMPENSATION

- This is a full time 40 hour a week position with salary DOE
- Paid holidays
- Accrued sick and annual leave
- Option for health savings plan

Appendix 41d: Development Director Job Description

NORTH COAST LAND CONSERVANCY

DEVELOPMENT DIRECTOR JOB ANNOUNCEMENT

The opportunity to make a meaningful impact on coastal conservation is the foundation of this position. The primary responsibility of the Development Director is to communicate his or her passion for conservation to a strategic audience in order to raise the operational funding necessary for NCLC to achieve its mission: to conserve the natural lands and wildlife of the Oregon Coast, forever. The Development Director focuses the majority of his or her time on building meaningful relationships with current and prospective donors for North Coast Land Conservancy. The Development Director will ask individuals, foundations and businesses directly for cash and in-kind donations. The fundraising program is supported by volunteers and board members with whom the Development Director will work closely and support during the donor stewardship process.

Description of Duties

I. FUNDRAISING (65%)

- Provide leadership to the organizations ability to fund operations
- Identifies, cultivates, and stewards individual relationships and strategic partnerships with donors, Staff, Board members, prospects, community members, businesses, and volunteers to achieve fundraising goals outlined in the 3-year Development Plan
- Coordinates and implements annual/semi-annual fundraising campaign
- Responsible for expanding membership and increasing donations
- Implements effective membership recruitment strategies
- Plans and implements Planned Giving Program
- Coordinates foundation support, including grant writing and reporting related to NCLC's programmatic needs and capacity building
- Prepares three-year fundraising plan
- Prepare for and solicit gifts at all levels
- Recruit and train volunteers for soliciting prospects
- Coordinate with Executive Director to develop reports for Board and annual meetings
- Supervise and ensure accurate and current donor data systems
- Ensure there is cross-training with other staff on donor data systems

II. PUBLIC OUTREACH (25%)

- Provide staff support to the volunteer driven public outreach activities, including public relations, promotions and special events (major donor functions, events and tours, etc.)
- Represent North Coast Land Conservancy at appropriate functions
- Coordinate with Communications staff on the preparation of promotional materials (annual report, newsletters, major donor items and brochures)
- Ensure NCLC's brand is being clearly featured in PR and outreach materials
- Maintain involvement with external organizations and professional groups that may provide continuing education or build long-term relationships with potential donors/supporters

III. ADMINISTRATION (10%)

- Supervise the fundraising file system/database
- Participate in Board meetings
- Staff the Major Gifts Committee and Outreach Committee
- Prepare Fundraising and Public Outreach program needs for annual budget
- Make recommendations to the Executive Director for potential Board or advisory council members whom would advance fundraising goals
- Carry out other duties that may be assigned by the Executive Director

Qualifications

- Outgoing and friendly personality with the ability to meet new people easily and quickly earn confidence.
- Very comfortable with speaking one on one and in person with people about donating money.
- A genuine enthusiasm and passion for private voluntary land conservation.
- Appreciation of diverse land issues and landowner views.
- Background in fundraising, planning, marketing, public outreach. Generalists with expertise or experience in a variety of these areas will be preferred, as will people with experience with non-profits or land trusts.
- A self-starter with the ability to initiate and follow through on new programs or projects and meet new people in order to achieve Land Trust goals.
- Ability to work with and through committees to develop and implement fundraising programs.
- Experience in and willingness to enlist and work with volunteers.
- Excellent communication and organizing skills.
- Ability to work among people of diverse backgrounds

COMPENSATION

- Salary DOE
- Accrued paid time off
- Health savings option

Appendix 41e: Conservation & Stewardship Manager Job Description

The Conservation Assistant supports the Land Trust's conservation and stewardship work. S/he assists with administrative activities related to acquisition due diligence, GIS mapping, maintenance and monitoring of conservation easements, annual site visits, and the preparation and review of legal documents. The Conservation Assistant reports to the Associate Director.

DUTIES AND RESPONSIBILITIES:

- Assist Stewardship Director in creating property reports for the board of directors for proposed acquisitions
- Obtain, organize and summarize preliminary title information for each potential land project.
- Obtain background and baseline information for new properties (maps, aerial photographs, and zoning, land use, and mineral and water rights information).
- Gather due diligence: order title reports, appraisals, and legal descriptions and other pertinent documents.
- Coordinate timely completion of environmental hazards assessments (EHAs) for land transactions including conducting record searches for potentially contaminated sites in vicinity of each property.
- Assist Associate Director with preparing requests for proposals (RFPs) and reviewing bids for non-real estate and professional service contracts associated with land transactions including: appraisals, EHAs, boundary surveys, legal description/acreage verifications. Draft and track progress of associated contracts.
- Complete post-closing tasks for all land protection projects: ensure grant agencies have received copies of necessary documents, close files, and apply for tax exemptions, if appropriate.
- Complete annual monitoring of all properties
- Create easement baseline reports
- Maintain organized property files for all easement and fee title properties
- Assist in basic map creation, GIS database updates, and field GPS data collection
- Other duties as assigned

REQUIRED QUALIFICATIONS:

- Bachelor's degree in conservation, real estate, ecology, natural resources or related field
- Good verbal and written communication skills
- Ability to be flexible, multi-task, perform under pressure, and work independently and as part of a team.
- Ability to work with diverse people and develop positive working relationships with co-workers, landowners, agencies and other partners and stakeholders.

- Practical problem-solving and organizational skills with attention to detail and record-keeping.
- Must be able to work some non-standard hours, including evenings and weekends.
- Ability to work independently under physically demanding conditions, including cold and wet weather and be able to lift 50 lbs. and operate hand and power tools and other mechanical equipment.
- Valid, insurable driver's license.
- A demonstrated commitment to land conservation.
- Competent with standard computer software, including MS Word, MS Excel, Internet and e-mail.
- Knowledge of real estate, land use planning, conservation techniques, and land conservation principles.
- Demonstrated competence in GIS map creation
- Knowledge of native and invasive plant and animal species

Appendix 41f: Administrative & Outreach Assistant Job Description

The Administrative and Outreach Assistant provides support to the Executive Director and other staff, the Board and volunteer committees, and assists in executing the outreach programs of the organization, including volunteer recruitment and retention. Responsibilities include but are not limited to:

1. Office Administration and Communication

- Answers and responds to phone calls and other communication
- Collects mail and distributes to appropriate staff
- Provides meeting support for Board of Directors and committees
- Compiles board mtg. packets
- Takes minutes at Board and Committee meetings
- Maintains organizational files and backups
- Maintains the organization's Standards and Practices manual
- Organizes and executing mailings
- Assists Communications Coordinator in updating social media and website
- Maintains office supplies and equipment and orders as needed
- Responsible for fiscal tracking and reporting for grants, donations, and expenditures

2. Database

- Ensures donor database entries and updates occur regularly
- Ensures acknowledgement letters are sent in a timely manner

3. Outreach and Community Programs

- Assists in the planning and execution of special events and public outreach as needed
- Assists in creation of promotional materials in consultation with appropriate staff
- Assists in coordination of the organization's public hike program
- Assists Communications Coordinator with promotion of the organization's events and programs through the website, Facebook, local media and other outlets as needed

4. Volunteer Coordination

- Works closely with Volunteer Coordinator and other staff to identify and fulfill volunteer needs and opportunities
- Provides appropriate recognition to ensure volunteer satisfaction and continuation
- Maintains a volunteer database

REQUIRED QUALIFICATIONS:

- Required: Bachelor's degree.
- 2-3 years in office administration, accounting, marketing, database management, public relations, desktop publishing or a related field.
- Cheerful individual who enjoys a team environment with the ability to establish and maintain positive collaborative working relationships with others, both internally and externally
- Excellent verbal and written communication skills
- Proficient with Microsoft software applications, database software, and internet-based applications and interfaces
- Highly organized and self-motivated
- Detail oriented and good with numbers
- Willingness to pitch in and do a variety of tasks as needed
- A passion for the mission of the organization

Appendix 42: Employee Performance Evaluation

NORTH COAST LAND CONSERVANCY

EMPLOYEE PERFORMANCE EVALUATION

This performance evaluation consists of four parts:

Part I - Employee self-evaluation to be completed by the employee, and then shared with the supervisor in advance of the meeting.

Part II - Supervisor's evaluation, to be completed by the supervisor only and then shared with the employee in advance of the meeting

Part III - One-on-one meeting between supervisor and employee to discuss evaluations

Part IV - Development and discussion of employee's goals and objectives for next year. (Individual Workplan)

Once sections 1 & 2 above are complete, the supervisor schedules time with the employee for a one-on-one meeting to discuss all of the above and finalize the employee's goals. This discussion should be a healthy, two-way open dialog between supervisor and employee.

The resulting completed performance evaluation must be signed and dated by both supervisor and employee to indicate that they have seen the final version and understand its contents. The evaluation will remain a permanent record in the employee file, marking the progress of the individual's overall job performance during the course of the calendar year. If at any time following the evaluation, either the employee or the supervisor, believes the agreed upon goals and objectives are unrealistic or are no longer appropriate, s/he is responsible for advising the other and initiating a discussion to arrive at mutually agreeable revisions, which should be recorded in writing.

EMPLOYEE NAME _____

EMPLOYEE JOB TITLE _____

SUPERVISOR'S SIGNATURE DATE

SUPERVISOR'S NAME: (Printed)

EMPLOYEE'S SIGNATURE__DATE

I. EMPLOYEE SELF EVALUATION:

1. Attach your individual work plan for the past year and indicate on the form which goals were met and which were not met. If some goals were not met, provide an explanation below:

2. Were there special accomplishments that were not in your job description or work plan for the review period?

3. What skills, talents, or knowledge help you contribute to NCLC's success?

4. What skills, talents, and knowledge would you like to improve?

5. What would assist you in doing your job better? (Feel free to take into consideration training, technical skills, processes and procedures, supervision, support systems, as well as any other tools or resources you want to include)

II. PERFORMANCE ELEMENTS: To be completed by supervisor only.

The objective of this section is for the supervisor to provide a commentary, describing the employee in terms of how they met their set objectives. The performance factors listed below were chosen for both their job relevance as well as their importance to NCLC’s work, worker, and workplace philosophies.

DEFINITION OF RATINGS

<p>EXCEPTIONAL (5): Consistently meets and often exceeds all relevant performance standards. Provides leadership, fosters teamwork, is highly productive, innovative, responsive and generates top quality work.</p> <p>EXCEEDS EXPECTATIONS (4): Consistently meets and sometimes exceeds all relevant performance standards. Shows initiative and versatility, works collaboratively, has strong technical and interpersonal skills or has achieved significant improvement in these areas.</p> <p>MEETS EXPECTATIONS (3): Meets all relevant performance standards. Seldom exceeds or falls short of desired results. Lacks appropriate level of skills or is inexperienced/still learning the scope of the job.</p> <p>BELOW EXPECTATIONS (2): Sometimes meets the performance standards. Seldom exceeds and often falls short of desired results. Performance has declined significantly, or employee has not sustained adequate improvement, as required, since the last performance review.</p> <p>NEEDS IMPROVEMENT (1): Consistently falls short of performance standards</p>

QUALITY OF WORK	N/A	1	2	3	4	5
Demonstrates competence in required job skills and knowledge						
Maintains a high level of quality in work						
Work is consistently well thought out, clear and virtually Written communications are well organized and easily understood						
Verbal communications are clear, concise, well organized and easily understood						
Able to frame comments that are listened to, understood and						

Maintains current knowledge of job/profession/field						
<i>Takes the initiative to stay up-to-date on changes in the professions/field that impacts the organization. Can promptly</i>						
Comments:						

PRODUCTIVITY	N/A	1	2	3	4	5
Manages time effectively						
<i>Sets priorities. Consistently meets deadlines. Is highly</i>						
Maintains a high level of efficiency						
<i>Work is planned, organized and analyzed for optimum results. Prepared for emergencies</i>						
Productivity standards are met						
<i>Maintains focus. Accomplishes established projects, goals in a</i>						
Takes initiative						
<i>Actively seeks and takes on additional responsibility or</i>						
Dependable						
<i>Reliable. Shows up at work, meetings, etc. when expected and is prepared. Continues to work until project/work/job is</i>						
Comments:						

COMMUNICATION & TEAMWORK	N/A	1	2	3	4	5
Listens effectively						
<i>Actions consistently indicate that the employee heard and understood what was communicated; hears speaker out</i>						
Keeps others informed in a timely manner						
Displays flexibility, openness, and patience in communicating						

Team player						
<i>Displays a high degree of teamwork, cooperation and professionalism. Cooperates with and assists others in a</i>						
Gets involved and goes beyond their assigned role						
Comments:						

ATTITUDE	N/A	1	2	3	4	5
Maintains positive, enthusiastic, and constructive attitude.						
Accepts and acts upon feedback from others.						
<i>Listens to and accepts feedback in a positive, non-destructive manner; demonstrates a willingness to make</i>						
Flexible while maintaining a positive attitude						
<i>Accepts changing priorities with a positive attitude</i>						
Positively represents the organization						
<i>Goes out of the way to enhance the image of the organization; works effectively with external people to</i>						
Comments:						

LEADERSHIP SKILLS	N/A	1	2	3	4	5
Dedication, vision and commitment to excellence						
Resourceful and entrepreneurial						
<i>Thinks outside the box; knows available resources and uses</i>						
Recognizes and solves problems in a practical manner						
<i>Readily recognizes problems; develops relevant facts and formulates alternative workable solutions; approaches</i>						

Ability to exercise prudent decision-making skills <i>Opinions, decisions, ideas and conclusions are objective, based on sound information and in the best interest of the</i>						
Development of short-term goals and alternatives for						
Flexibility in handling changes to existing plans						
Ability to set reasonable work limits						
Comments:						

III. SUMMARY: Overall Performance

1. Did the employee reach the work plan goals for the prior year? If not, what steps will be taken to meet those goals in the future?

2. Taking all the performance factors and evaluation criteria into consideration, and realizing that some of the performance factors are more significant to performance than others, how would you summarize the employee's overall performance during this evaluation period?

IV. DISCUSSION

Supervisor's comments:

Employee's comments:

V. INDIVIDUAL WORKPLAN FOR COMING YEAR

(Attach Individual Work Plan to the Performance Review forms)

The employee and supervisor should work together to develop an Individual Work Plan for the coming year. The Individual Work Plan should be a comprehensive list of individual goals that specifically advance the goals of the Department Work Plan and NCLC's Strategic Plan. The Work Plan should include how the employee will help advance NCLC's fundraising goals as well as plans for training and professional development. Goals should be "SMART": Specific, Measurable, Attainable, Realistic, and Tangible. The Individual Work Plan will be submitted to the Vice President and President for final review and approval.

a) Specific Program Tasks or Projects:

(List the specific items you are responsible for completing according to your departmental program plan or other departments for which you will be providing service. Include timeframes and quantities where appropriate.)

b) Specific Job Performance Goals

(Goals must be measurable and include timing or benchmark dates.)

c) Professional Development
(Be as specific as possible. Indicate timeframe)

d) Betterment of the Organization

(Beyond the scope of your specific job, is there any way that you feel you can serve

NCLC?)

e) Development (Fundraising)

(What in your role do you think you can do to advance NCLC's fundraising efforts?)

Personal Growth

Appendix 43: Executive Director Performance Evaluation

NORTH COAST LAND CONSERVANCY

EXECUTIVE DIRECTOR PERFORMANCE EVALUATION

Evaluator Name: _____

Evaluation Period: _____ to

General Responsibility of the Executive Director: To assume overall responsibility for successful performance of all phases of NCLC's operations, the fulfillment of all contractual obligations and NCLC's mission, and the successful execution of all Board policies.

Rating Scale: Exemplary = 5; Above Average = 4; Satisfactory = 3; Needs Improvement = 2; Unacceptable = 1.

RESPONSIBILITY

RATING

SECTION A: RELATIONS WITH BOARD OF DIRECTORS

	Low			High	
1. Communicates necessary information in a timely and organized fashion.	1	2	3	4	5
2. Establishes and maintains positive and effective working relationships with each member of the Board.	1	2	3	4	5
3. Conforms to Board policies and directives	1	2	3	4	5
4. Demonstrates an understanding of differences between the administration role of Executive Director and the policy-making role of the Board.	1	2	3	4	5
5. Makes periodic regular reports to the Board regarding all important aspects of the organization's functions and operations, highlighting both achievements and areas of concern.	1	2	3	4	5

Comments on Section A:



RESPONSIBILITY

RATING

SECTION B: PERSONNEL ADMINISTRATION

	Low			High	
	1	2	3	4	5
1. Establishes clear patterns of authority, responsibility, supervision, and communications with staff. This includes <i>regular</i> management and team meetings, general staff meetings, staff planning retreats, and individual supervision.					
2. Develops and utilizes an effective set of personnel policies and procedures.	1	2	3	4	5
3. Develops and utilizes an effective system of performance appraisal for all staff.	1	2	3	4	5
4. Develops and utilizes a well-planned, fair, and effective system for recruitment, selection, and maintenance of highly qualified staff.	1	2	3	4	5
5. Oversees and utilizes a fair process of progressive disciplinary action when warranted by employee actions.	1	2	3	4	5
6. Identifies and deals with personnel problems quickly and effectively	1	2	3	4	5

Comments on Section B:

RESPONSIBILITY

RATING

SECTION C: LEADERSHIP AND RELATIONS WITH STAFF

	Low			High	
1. Communicates necessary information in a timely and organized manner	1	2	3	4	5
2. Establishes and maintains positive and effective working relationships with all management staff.	1	2	3	4	5
3. Models behaviors and attitudes which promote individual responsibility, programmatic and professional excellence, and creative initiative.	1	2	3	4	5
4. Invites and responds to staff needs and feedback in a timely manner.	1	2	3	4	5
5. Delegates responsibility and authority when appropriate.	1	2	3	4	5
6. Demonstrates an ability to foresee problems and utilize preventative problem-solving strategies.	1	2	3	4	5
7. Demonstrates sensitivity to persons affected by administrative decisions	1	2	3	4	5

Comments on Section C:

RESPONSIBILITY RATING

SECTION D: PROGRAM SERVICES

	Low			High
	1			5
1. Encourages and ensures high levels of quality in staffing and program standards relevant to the needs of the organization.	2	3	4	
2. Ensures accessibility of services to the organization's constituencies.	1	2	3	4 5
3. Ensures ongoing program supervision and training for all program staff.	1	2	3	4 5
4. Maintains a system of quality program record-keeping	1	2	3	4 5
5. Encourages and supports all staff in updating their skills	1	2	3	4 5
6. Plans and implements new services and programs	1	2	3	4 5

Comments on Section D:

RESPONSIBILITY

RATING

SECTION E: RELATIONS WITH GOVERNMENTAL AUTHORITIES

	Low			High
	1			5
1. Represents the needs of the organization and advocates for the needs of its constituencies to funding and regulatory bodies at the local, state,		2	3	4
2. Ensures that the organization, its staff, and its programs operate in compliance with all applicable local, state, and federal laws and regulations.	1	2	3	4 5
3. Engages in constructive political activities necessary to understand and impact positively the political forces affecting the organization and its constituents.	1	2	3	4 5
4. Develops, maintains, and fulfills written contracts with other organizations when required and/or appropriate.	1	2	3	4 5

Comments on Section E:

RESPONSIBILITY

RATING

SECTION F: MEDIA, PUBLIC RELATIONS, & NETWORKING

	Low			High	
1. Effectively develops positive media relations.	1	2	3	4	5
2. Effectively develops the organization's profile with the government.	1	2	3	4	5
3. Communicates effectively and regularly with others and interested citizens regarding issues affecting the constituency.	1	2	3	4	5
4. Advocates for the unmet needs of the constituency.	1	2	3	4	5
5. Takes active steps to educate the local public regarding issues relating to the organization's activities and planning initiatives.	1	2	3	4	5
6. Encourages liaison activities by all staff with representatives of local government, other providers, community members, and members of the press, when appropriate	1	2	3	4	5
7. Actively works to promote cooperative activities between the organization and others.	1	2	3	4	5
8. Participates in community, state, and federal professional organizations, board, and societies.	1	2	3	4	5

Comments on Section F:

RESPONSIBILITY

RATING

SECTION G: FINANCIAL MANAGEMENT

- | | | | | | |
|---|---|---|---|---|---|
| 1. Oversees development of annual organization | 1 | 2 | 3 | 4 | 5 |
| 2. Plans for future revenue needs and resources to | 1 | 2 | 3 | 4 | 5 |
| 3. Has been effective at grant writing and communicating with funders. | 1 | 2 | 3 | 4 | 5 |
| 4. Makes regular reports to the Board regarding the | 1 | 2 | 3 | 4 | 5 |
| 5. Operates the organization's business in accordance with Generally Accepted Accounting Principles and procedures; takes actions to improve the organization's business practices based on annual recommendations from an independent auditor. | 1 | 2 | 3 | 4 | 5 |

Comments on Section G:

RESPONSIBILITY RATING

SECTION H: PROPERTY/RESOURCE MANAGEMENT

	Low			High	
1. Maintains in good repair the fixed assets and physical facilities used by the organization.	1	2	3	4	5
2. Ensures that sufficient facility space is available to appropriately house all of the organization's staff and programs. and coordinates efforts to maximize the	1	2	3	4	5
3. Plans for the long-term future facility needs of the organization.	1	2	3	4	5

Comments on Section H:

RESPONSIBILITY RATING

SECTION I: PLANNING

Low High

1. Works with members to develop short and long-range action plans for all of the organization's programs	1	2	3	4	5
2.	1	2	3	4	5
Oversees development of an annual implementation plan and quarterly updates to the plan as required by					
3. Meets regularly with members at program planning retreats	1	2	3	4	5

Comments on Section I:

RESPONSIBILITY RATING

SECTION J: PROFESSIONAL ACTIVITIES

	Low			High	
1. Utilizes expert consultation from appropriate consultation resources when needed to ensure the highest quality of the organization's programs and	1	2	3	4	5
2. Maintains affiliation with professional associations relevant and beneficial to the successful operation of	1	2	3	4	5
3. Actively participates in organizations and activities with provincial-wide involvement and influence in promoting a higher level of services to the community.	1	2	3	4	5

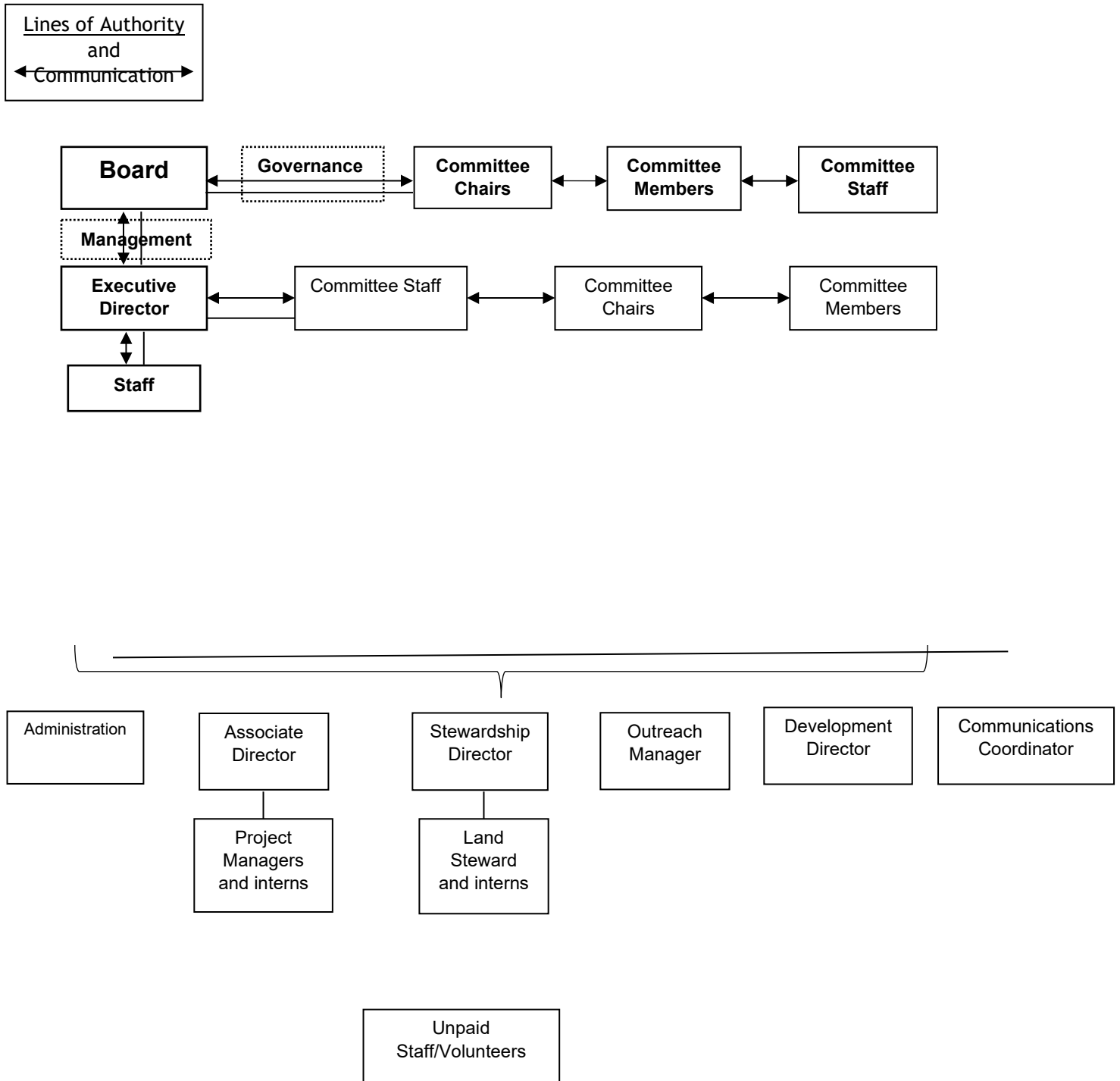
Comments on Section J:

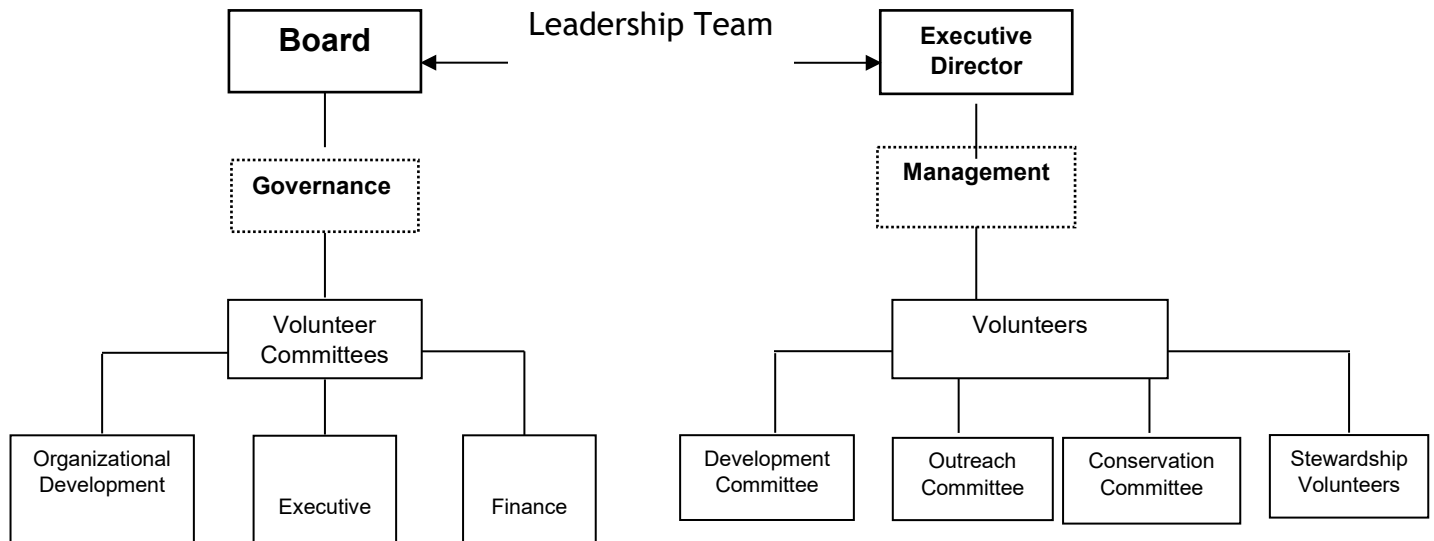
Appendix 44: Board/Staff Lines of Authority

The lines of authority, communication, and responsibility between NCLC's board and staff are clearly understood and documented. The board delegates supervisory authority over all other staff to the Executive Director (See 3E).

Lines of Authority, Communication, and Responsibility

The figure below shows the lines of supervision within NCLC's staff. The Board of Directors is responsible for overseeing the Executive Director and ensuring the health of the organization, but board members do not directly supervise or delegate responsibilities to the staff. The Executive Director oversees all staff. The primary groupings of responsibility for each staff position are given in this figure.





Appendix 45: Personnel Manual

NORTH COAST LAND CONSERVANCY

PERSONNEL MANUAL

INTRODUCTION

PURPOSE OF THE MANUAL

This list of policies and procedures has been developed to provide general guidelines for employees of the North Coast Land Conservancy (NCLC). The personnel policies and procedures manual is not a contract of employment. NCLC's Board of Directors may amend the Manual, reserves the right to deviate from the policy manual, and reserves the right to use its discretion in making all employment decisions.

AT-WILL EMPLOYMENT

NCLC is an employment at-will organization, which means either an employee or NCLC may terminate the employment relationship at any time, with or without notice, and with or without cause, consistent with state and federal law. No employee or board member has the authority to modify the at-will nature of employment with NCLC.

EMPLOYMENT POLICIES AND PROCEDURES

EQUAL OPPORTUNITY

NCLC is an equal opportunity employer and does not discriminate on the basis of race, religion, color, sex, age, national origin, disability, marital status, sexual orientation, or any other classification protected by law. All decisions made with respect to recruiting, hiring and promotions for all job classifications will be based on individual qualifications related to the requirements of the position.

NCLC will not tolerate harassment or discrimination against any person. NCLC encourages employees to report any such incident to the Executive Director or the President of the Board of Directors immediately without fear of reprisal. Confidentiality will be maintained to the extent possible.

PROHIBITION OF SEXUAL HARASSMENT

NCLC WILL NOT TOLERATE SEXUAL HARASSMENT BY ANY OF ITS EMPLOYEES. UNWELCOME SEXUAL ADVANCES, REQUESTS FOR SEXUAL FAVORS, AND OTHER VERBAL OR PHYSICAL CONDUCT OF A SEXUAL NATURE CONSTITUTES SEXUAL HARASSMENT WHEN: SUBMISSION TO THE CONDUCT IS MADE EITHER AN EXPLICIT OR IMPLICIT CONDITION OF EMPLOYMENT; SUBMISSION TO OR REJECTION OF THE CONDUCT IS USED AS THE BASIS FOR AN EMPLOYMENT DECISION AFFECTING THE HARASSED EMPLOYEE; OR THE HARASSMENT UNREASONABLY INTERFERES WITH AN EMPLOYEE'S WORK PERFORMANCE OR CREATES AN INTIMIDATING, HOSTILE, OR OFFENSIVE WORK ENVIRONMENT. ANY EMPLOYEE WHO FEELS THAT HE OR SHE HAS BEEN SUBJECTED TO SEXUAL HARASSMENT IS ENCOURAGED TO DIRECTLY INFORM THE HARASSER THAT THE CONDUCT IS UNWELCOME AND MUST STOP, AND/OR TO REPORT SUCH INCIDENTS TO THE EXECUTIVE DIRECTOR OR THE PRESIDENT OF THE BOARD OF DIRECTORS IMMEDIATELY WITHOUT FEAR OF REPRISAL. CONFIDENTIALITY WILL BE MAINTAINED TO THE EXTENT POSSIBLE.

APPLICATION AND HIRING POLICIES

Applicants for the position of Executive Director are screened, interviewed, and hired by the Board of Directors. Applicants for all other staff positions are screened, interviewed, and hired by the Executive Director.

STANDARDS OF PERSONAL BEHAVIOR

Employees of the NCLC are expected to maintain the highest standards of professional behavior. All employees shall dress, speak, and conduct themselves in a manner conducive to the achievement of the organization's mission. Employees of NCLC are not to make statements as official spokespersons of the organization without the approval of the Executive Director. No employee may perform her/his employment duties while under the influence of alcohol or illegal drugs. No harassment or discrimination based on the protected characteristic of other employees, volunteers, or supporters will be tolerated. The standards of behavior may be changed, or added to, from time to time.

III. CONDITIONS OF EMPLOYMENT

ATTENDANCE POLICIES AND PROCEDURES

All employees are expected to be at work on time every day they are scheduled to work. Regular and consistent attendance and timeliness is essential.

STATEMENT ON CONFIDENTIALITY

An employee must exercise the utmost discretion in all matters of official business. Any information that has been received by an employee on a confidential basis must be maintained in strict confidence. No confidential records or documents pertaining to official business of the NCLC will be mailed or given to any person or organization without the prior approval of the Executive Director.

OUTSIDE EMPLOYMENT

Employees shall be free to obtain/maintain outside employment so long as such outside employment does not conflict with the employee's satisfactory performance of duties for NCLC or compete directly with the services of NCLC.

PROHIBITION ON POLITICAL ACTIVITIES

At no time may any employee of the NCLC state, imply, or in any way suggest that the NCLC holds any position in support of or in opposition to any candidate for public office.

CONFLICTS OF INTEREST

All employees must be particularly sensitive to issues involving conflicts of interest. Potential conflicts of interest include, but are not limited to, purchasing or renting goods, space, or services from an employee or a relative of an employee of NCLC, and receiving gifts or gratuities from persons benefiting from actions of NCLC. Employees shall disclose any potential conflicts to the Executive Director.

EVALUATION OF EMPLOYEES

The Executive Director shall evaluate each employee at least annually, using an appropriate evaluation process and format. The Executive Director's performance shall be reviewed annually by the Board, and will include staff input as part of the evaluation process.

EMPLOYMENT CLASSIFICATIONS

CLASSIFICATIONS

The NCLC recognizes three key classifications of employees: exempt employees, non-exempt employees, and volunteer (unpaid) employees. Each job description established by NCLC shall include classification of the position as exempt, non-exempt, or volunteer. Exempt employees are management or administration employees who exercise independent judgment, work under only general supervision. They are exempt from overtime. Non-exempt employees are paid on an hourly basis, do not have supervisory functions, and are covered by minimum wage and overtime requirements.

FULL-TIME, PART-TIME, OR TEMPORARY

Full-time employees work at least a 32-hour week, and are eligible for all benefits that may be given by the organization. Regular Part-time employees work 16-32 hours per week and are eligible for pro-rated benefits given by the organization. Temporary employees and part-time employees working less than 16 hours are non-exempt and are not eligible for benefits.

COMPENSATION

SALARY POLICY

All compensation will be at the recommendation of the Board of Directors. The Board of Directors will adopt annual salary ranges for each staff position as part of the annual budget.

SALARY PAYMENT PROCEDURES

NCLC calculates payroll on a monthly basis and issues one paycheck per month. Timesheets are due to the Executive Director on the first of the month and paychecks are issued no later than the 5th of the month. Employees have the option of having their paychecks deposited into their bank account using direct deposit. An employee with an emergency need for a salary draw should request the draw from the Executive Director. All payroll deductions required by law will be withheld from the payroll check.

THE WORK WEEK: TIME AND ATTENDANCE

Full-time employees work at least 32 hours per week, depending on the terms of employment at time of hire. Part-time employees work an agreed upon number of hours each week. Exempt employees may find that additional hours of work are necessary for successful completion of the job responsibilities. All hourly employees shall maintain timesheets specifying the hours worked each day, and all timesheets must be submitted to the Executive Director no later than the first day of the following month. Employees may be required to carry out activities that involve travel and overnight stays. The employee shall consider as work time all hours required for travel to and from the destination and all hours spent conducting NCLC business.

REIMBURSEMENTS

NCLC reimburses employees for the actual cost of authorized travel (excluding mileage which is reimbursed at a standard rate), meals, and lodging that are incurred in the course of employment duties, including mileage according to current IRS standards. Requests for reimbursement shall be submitted to the Executive Director in writing with documentation of expenses, including the date of the expense and receipts of each expense, such that a determination can be made that the expense was authorized and is reimbursable under this policy.

SALARY INCREASES

Staff salary ranges and the timing of adjustments in staff salaries are recommended by the Executive Director and approved by the board of Directors. In the case of the Executive Director's salary, the salary range and timing of the salary adjustments are at the discretion of the Board.

OVERTIME AND FLEX TIME FOR NON-EXEMPT EMPLOYEES

Non-exempt employees shall be paid overtime for hours worked over 40 in each workweek. A work week is Sunday to Saturday. Overtime must have prior approval of

direct supervisor. The rate of compensation for such overtime shall be one and one-half times the employee's hourly rate.

Employees may flex their time within the 40-hour workweek as needed so that they do not work more than 40 hours in the week.

WORK BEYOND REGULAR HOURS BY EXEMPT EMPLOYEES

Exempt employees are expected to work sufficient hours to accomplish the duties of the position, and will not receive overtime pay. If additional hours beyond the regular work month are required on a regular basis, the exempt employee shall request assistance from his/her supervisor to reduce his/her regular workload to an appropriate level.

COMPENSATION DURING JURY DUTY

Employees receive regular pay during times of Jury Duty.

JOB DESCRIPTIONS

The Executive Director shall establish a written job description for each position specifying: job title; scope of responsibility; status as exempt, non-exempt, or voluntary position; description of duties; identification of essential function of the job; lines of supervision; number of hours per week; and salary range. The Board of Directors shall develop and approve the job description for the Executive Director.

EMPLOYEE BENEFITS

VACATION BENEFITS

We believe that all employees need time away from work and that time off is important to the health and well-being of our employees. Vacation shall be taken at a time that is mutually agreeable to all the parties concerned so as not to disrupt the efficient operations of the organization. Personal leave schedules and coverage are subject to the approval of your supervisor and the Executive Director. Full-time employees accrue paid vacation time as listed below with accrual increasing on the 1st, 2nd, 3rd, 5th and 10th year anniversaries:

Years of Employment	Monthly Accrual	Annual Accrual
1	6.77 Hours	10 Days
2	8.66 Hours	13 Days
3-4	12 Hours	18 Days
5-10	13.33 Hours	20 Days
10+	16.66 Hours	25 Days

Eligible part-time employees accrue vacation days on a pro-rated basis, depending on their Full-Time Equivalency (FTE) status.

Vacation hours should be taken during the year in which they are earned. However, employees may accrue vacation time beyond the year in which the hours are earned. An employee can carry over no more than 15 days of personal leave (120 hours) from a preceding calendar year. Any hours over 120 at the end of the year over will be lost and the employee will not be compensated for the lost time. The Executive Director may grant an employee the right to carry over more than 15 days (120 hours) of Personal Leave in certain situations. Accrued unused personal leave shall be paid only upon separation of employment.

SICK & FAMILY LEAVE

NCLC has established a sick and parental leave policy for eligible employees in order to help prevent loss of earnings that may be caused by any of the following:

- Pregnancy, prenatal medical care or childbirth.
- To care for your child after birth, or placement for adoption or foster care.
- For an employee's or family member's mental or physical illness, injury or health condition; need for medical diagnosis, care or treatment of a mental or physical illness, injury or health condition; or need for preventive medical care.
- To care for a family member with a serious health condition.
- To recover from or seek treatment for a serious health condition.
- To care for a sick child who does not have a serious health condition, but requires home care.
- For any reason relating to Oregon's domestic violence leave laws.
- To donate accrued sick time to another employee if the other employee uses the donated sick time for a purpose specified in this policy.
- In the event of a public health emergency as defined by the Oregon Sick Leave Law.

- To supplement bereavement pay for bereavement leave used to make funeral arrangements, attend the funeral or to grieve a family member who has passed away.

“Family member” means an employee’s spouse, partner, domestic partner, custodial parent, non-custodial parent, adoptive parent, foster parent, biological parent, stepparent, parent-in-law, a parent of an employee’s same-gender domestic partner, an employee’s grandparent or grandchild, or a person with whom the employee is or was in a relationship of in loco parentis. “Family member” also includes the biological, adopted, foster child or stepchild of an employee or the child of an employee’s same-gender domestic partner. An employee’s child in any of these categories may be either a minor or an adult at the time qualifying leave pursuant to these rules is taken.

Sick pay benefits cannot be taken until accrued and you have a qualifying circumstance. All regular full-time employees accrue sick leave benefits. Full-time employees accrue sick leave at the rate of eight (8) hours for each month worked up to 12 days per year (96 hours). The maximum sick leave accrual is 80 days (640 hours).

Eligible part-time employees accrue sick pay on a pro-rated basis, depending on their Full-Time Equivalency (FTE) status. Every employee generates a minimum of 40 sick pay hours a year.

North Coast Land Conservancy will pay the employee’s health insurance premium at the same level as before the employee used leave.

Employees will not be compensated for unused sick leave while they are employed or upon termination of employment.

Donation of Sick Time to Coworkers

North Coast Land Conservancy recognizes that employees may have a family emergency or a personal crisis that causes a severe impact to them resulting in a need for additional paid time off in excess of their available sick time. To address this need, all eligible employees will be allowed to donate sick time, in whole-hour increments, from their unused balance to their co-workers in need. Employees who wish to donate sick time to a co-worker in need must notify the Executive Director. *This policy is strictly voluntary.*

BEREAVEMENT LEAVE

Full-time employees experiencing the death of an immediate family member shall be entitled to take three (3) days of bereavement leave per calendar year. Immediate family shall mean spouse, children, parents, siblings.

LONGEVITY LEAVE

North Coast Land Conservancy recognizes that retaining employees allows for consistency and stability in operations. Employee longevity also reduces training costs, lends credibility to NCLC in the eyes of its partners, staff, board, and volunteers, and attracts quality applicants for open positions. In an effort to attract and retain quality employees, NCLC has adopted an Employee Longevity Leave Policy (LLP). The policy has minimal direct costs to NCLC. NCLC strives to be in the upper tier among land trusts with respect to employee benefits and sees the LLP benefit as a cost-effective way to achieve that result.

Eligibility and Frequency:

All NCLC paid employees are eligible for the LLP benefit upon the fifth anniversary of their respective hire date.

The LLP benefit will be accrued after 5 years of employment and upon each subsequent five (5) year anniversary date (i.e., after 5, 10, 15, 20, etc. years of employment).

The benefit vesting period will be retroactive for employees who have worked at NCLC for less than five years. Upon adoption of the LLP benefit, employees who have worked at NCLC for five (5) years or more will become eligible for the benefit and the policy adoption date will replace their respective hire dates for purposes of applying the LLP benefit.

If an employee terminates, for any reason, after becoming eligible for but prior to taking a longevity leave period benefit, the benefit will become null and void and will not be payable upon separation of employment as final wages due.

Leave Duration:

The length of the LLP benefit will be eight (8) weeks.

For exempt employees, each week of leave will be 40 hours.

For nonexempt employees, each week of leave will be calculated based on the average work week over the five (5) year vesting period.

Leave Approval and Planning:

The Executive Director will approve and plan for all NCLC staff longevity leaves except for the Executive Director.

The Executive Committee will approve and plan for all Executive Director longevity leave periods.

Timing of Longevity Leaves:

NCLC staff must take their longevity leave within one year of becoming eligible or the benefit will expire. Longevity leave periods cannot be carried forward beyond the year of eligibility, for any reason.

The longevity leave must be taken all at once for eight (8) consecutive weeks.

NCLC staff cannot take regular vacation time within one (1) month prior and one (1) month subsequent to the longevity leave period.

Wages During Benefit Period:

NCLC Staff will be paid during the Longevity Leave period and are not required to involve themselves with NCLC related endeavors or activities while on leave except for under certain emergency circumstances.

Exempt NCLC staff will be paid their regular salaries while on leave

Nonexempt NCLC staff will be paid based on the average work week over the five (5) year vesting period and the employee's current rate of pay.

Example;

Hours worked year 1 1,075

Hours worked year 2 996

Hours worked year 3 1,185

Hours worked year 4 1,217

Hours worked year 5 1,156

Total 5 years 5,629

Average per year 1,126 [total 5-year hours divided by 5]

Average per week 21.65 [total average hours divided by 52]

Under this example, the employee would be paid for 21.65 hours per week for 8 consecutive weeks. The 21.65 hours would be paid at the employee's current hourly rate (i.e., rate at the time the longevity leave was taken)

Employees on leave will continue to receive employment benefits that the employee qualifies for and received prior to the leave period, such as medical benefits, with the following exceptions: vacation and sick benefits will not accrue based on hours paid during the leave period. Longevity leave benefits will be paid as a gross pay dollar

amount without hours worked. Therefore, any benefit that is based on accrued hours, such as vacation, will not accrue.

Employees on leave will continue to be covered under the Trust's workers' compensation coverage but will not qualify for any work-related injury coverage while on longevity leave as there is no work-related activities required while on leave.

Written Longevity Leave Action Plan:

Prior to any longevity leave period, the employee taking the leave must write a Longevity Leave Action Plan and review it with the person who approved the leave (see 'Leave Approval and Planning' section)

The plan is intended to spell out key areas that will need to be accomplished by other staff members while the employee is on leave.

The plan should include key events, emergency contact information, voice message and email routing and messaging, action plans for major tasks that need to continue on pace, and any other planning for critical work-related events and tasks that will transpire, or should transpire, during and employee's leave period.

For all staff except the executive director, the Leave Action Plan should be written, approved, and distributed to all staff at least three months prior to the beginning of the leave period. For the executive director, the Leave Action Plan should be written, approved, and distributed to all staff and board members at least six months prior to the beginning of the leave period.

As part of the Longevity Leave Action Plan, the employee will be given a copy of and asked to review the Longevity Leave Policy document.

Copies of the Longevity Leave Action Plan should be distributed to any committees that the employee taking leave participates.

Post-Leave Employment Commitment:

Prior to the start of an employee's longevity leave period, the employee will be separately notified of the following policies related to longevity leave:

That the employee agrees to not voluntarily terminate their employment with NCLC within six (6) months subsequent to the end of the employee's longevity leave period

That if the employee voluntarily or involuntarily terminates employment with NCLC within six (6) months subsequent to the end of the employee's longevity leave period, NCLC may not provide the employee with a favorable employment recommendation.

EXTENDED LEAVE WITHOUT PAY

Extended leave in excess of accrued vacation and sick leave may be granted by the Executive Director, or, in the case of the Executive Director, by the President with Board approval. The employee may receive written approval of extended leave, contingent upon financial and budgetary status and the anticipated duration of the extended leave. Extended leave is unpaid and granted on a purely discretionary basis. Employees on leave will continue to receive employment benefits that the employee qualifies for and received prior to the leave period, such as medical benefits, with the following exceptions: vacation and sick time benefits will not accrue during the leave period.

PAID HOLIDAYS

North Coast Land Conservancy observes the following holidays:

New Year's Day	Birthday of Martin Luther King, Jr
Presidents Day	Memorial Day
Independence Day	Labor Day
Veteran's Day	Thanksgiving Day
Day after Thanksgiving	Christmas Day

When these holidays fall on Saturday, Friday will be observed and when on Sunday, Monday will be observed. At the end of the calendar year any unused holiday days are lost and may not be cashed out or carried over to the new calendar year.

MEDICAL BENEFITS

NCLC offers health insurance through a group plan for all regular full and part-time employees. Eligibility for group coverage begins after three months of employment. An employee may only opt out of the coverage if s/he has other group coverage.

RETIREMENT BENEFITS

After one year of employment all regular full and part-time employees are eligible for a SIMPLE IRA matching program. NCLC offers a matching contribution of up to 3% of the employee's monthly wage.

CAREER DEVELOPMENT AND TRAINING

Employees are encouraged to attend training situations for career development and skill building. NCLC may cover payment of fees for such activities when they are complementary to the purposes of the NCLC, and approved by your supervisor and/or the Executive Director.

EMPLOYEE ACKNOWLEDGMENT

I acknowledge that I have received and read the NCLC Personnel Policies and Procedures Manual. I am aware that I am expected to follow the policies set forth in the Manual. This Manual is not intended to create any contractual obligations, or to serve as an employment contract. I understand that my employment is at will and that I may resign or the NCLC may terminate my employment at any time, for any reason, or for no reason, with or without notice, consistent with state and federal law. Not all of the NCLC policies and procedures are set forth in this Manual.

Employee signature _____ Date _____

Amendment approved by the Executive Committee: October 20, 2016

Thomas S. Horning

Board Secretary

Appendix 46: Service Area & Conservation Initiatives

Where We Work

NCLC's service area covers more than 2,600 square miles from the Columbia River south to Lincoln City, from the peaks of the Coast Range to the near-shore ocean. As of 2014, NCLC has worked to conserve more than 2,100 acres on more than 50 properties in

Clatsop, Tillamook, and Lincoln counties and has facilitated the protection of over 1,000 additional acres.

Conservation Initiatives

This landscape scale approach and green infrastructure model has led NCLC to focus our conservation efforts on projects that promote strategic initiatives. Each initiative has a unique conservation plan to guide future projects, including a system for identifying areas of high priority for conservation. Every three years NCLC creates a new strategic plan refocusing our goals and evaluating initiatives.

Columbia Quiet Waters: A rare forested wetland system

This initiative focuses on interdunal forested wetlands within the City of Warrenton and the wetlands associated with the lower watersheds of the Skipanon River and Alder and Tansy Creeks. Some of the most intact and ecologically functioning Sitka spruce wetland forest and swamp communities in the world are found here. This globally rare habitat is a high priority for protection.

Estuaries: The heart of the coast

Ecologically speaking, estuaries are the beating heart of all major coastal watersheds and some of the most productive ecosystems in the world. They are where rivers and streams meet the sea and where fresh and saltwater mix. As key elements of green infrastructure, functioning estuaries are essential to healthy watersheds, and vice versa. NCLC focuses its conservation efforts on the Necanicum, Nehalem, and Sand Lake estuaries.

Neacoxie Wildlife Corridor: Connecting landscape and people in the Clatsop Plains

The unique coastal habitat that has developed here over the past 5,000 years began as a series of parallel sand dunes. Groundwater trapped in dune swales created wetlands, lakes and streams, and the landscape evolved to include native prairie, treed shelterbelts, and other habitats associated with Neacoxie Creek and Sunset Lake. The lands here serve as a corridor for migrating birds and other species and are essential habitat for the threatened Oregon Silverspot Butterfly.

Necanicum Wildlife Corridor: Connecting a coastal watershed

This initiative focuses on the 85 square mile Necanicum watershed and its connection to the Necanicum estuary and the ocean. An important artery in the region's green

infrastructure, the Necanicum watershed includes important wildlife habitat and serves as a corridor and spawning ground for endangered salmon species. The watershed provides the municipal water source for the City of Seaside, and tributaries and floodplains shield downstream lands from flooding.

The Coastal Edge: The interface between land and sea

The interface between land and sea is not limited to the estuary. The intertidal zone and temperate rainforest, together with coastal estuaries, add up to a diverse and intensely productive biological hotspot. The Coastal Edge initiative allows us to prioritize some key North Coast ecosystem components that might otherwise be missed. They include smaller watersheds that empty directly into the ocean and, while lacking an estuary, nonetheless harbor anadromous species such as salmon, steelhead, and lamprey. These smaller watersheds are also commonly sources of municipal drinking water, making their protection paramount to a thriving ecosystem of people, plants, and animals.

Appendix 47: Project Tracking Record

NORTH COAST LAND CONSERVANCY

PROJECT TRACKING RECORD

Project Title: _____

Associated Initiative: _____

Land Reference Name: __

Land Location (include map, GPS information, address and county, etc.):

Project Goal:

NCLC Cost (prepare budget)

Funding Considerations (granting organizations, endowment options, amount available)

Project Contact List (name, address, phone, email)

Staff Time Record

Date:

Hours:

Activity:

Appendix 48: Project Selection Criteria

NORTH COAST LAND CONSERVANCY

NCLC LAND AND CONSERVATION EASEMENT ACQUISITION SELECTION CRITERIA

Adapted from the Land Trust Alliance's Standards and Practices Guidebook

These criteria are intended to guide rather than limit the actions of the Trust.

Mission Statement

The North Coast Land Conservancy will serve as a resource for Northwest Oregon coastal communities and landowners to conserve and protect land in perpetuity for its ecological, passive recreational and cultural values.

Vision Statement

At North Coast Land Conservancy, we focus our stewardship actions with a mission that holds conservation at its core. Whether we are working on land acquisition projects, facilitating habitat development or participating in outreach programs with the community, our feet remain firmly rooted to the land, as we look ahead to our goal: A fully functioning coastal landscape where healthy communities of people, plants and wildlife all thrive.

Goals and Purposes

*To qualify for selection, property **must meet ALL** of these criteria:*

- The property is located within North Coast Land Conservancy's service area.
- The property is in a relatively undisturbed natural or scenic condition or has significant ecological value.
- The property is of sufficient size that its conservation resources are likely to remain intact, even if adjacent properties are developed or sufficient neighboring property is already protected.
- Protection of this property aids sound land use planning, promotes land conservation, and encourages careful stewardship of land and water resources.

Public Benefits & Natural Resource Values

To qualify for selection, a property must meet ONE OR MORE of these criteria:

- The property falls within one of NCLC's initiative areas.
- Contains endangered, threatened, or rare species or natural communities.
- Provides public recreational opportunities consistent with the protection of natural resources.
- Protects quality or quantity of surface or underground waters, or provides natural control of flooding.
- Contains relatively natural ecosystems, natural features, or habitat for wildlife, fish, or plants.
- Contains or has potential to contain natural features of educational or scientific value.
- Contains wetlands, floodplains, waterways, riparian corridors, aquifer recharge areas, watershed, or other lands necessary for protection of water supply, water resources, or wetland habitat.
- Buffers agricultural land, wetlands, wildlife habitats, or other sensitive areas.
- Provides a buffer or is close or contiguous to an existing conservation easement, park, preserve, or other protected land.
- Protects scenic views from public roadways, waterways, or recreation areas.
- Will permit public access for education or recreation.
- Sets an important precedent for resource or open space protection in a targeted area.
- Provides a connection to other open protected or open space lands that is important for movement of wildlife between habitats or through developed corridors.
- Has historical or archaeological value, is adjacent to and buffer for such lands, or contains a certified historical structure.
- Contains unique or outstanding physiographic characteristics.

Feasibility

Factors that may preclude North Coast Land Conservancy's (NCLC) involvement: A property may meet the selection criteria favoring a land protection proposal and still may not be accepted if one or more of the following considerations apply:

- The property's values are primarily scenic, but are not readily visible or accessible to the general public.
- The property is small and there is little likelihood of adjacent properties being protected or the property is not of significant size for its purposes.
- The proposed open space is part of a development proposal that, overall, is likely to have significant adverse impacts on conservation resources.
- Adjacent properties are being, or are likely to be, developed in a manner that would significantly diminish the conservation values of the property in question.
- The landowner insists on provisions in a conservation easement that NCLC believes would seriously diminish the property's primary conservation values or the Trust's ability to enforce the easement.
- There is reason to believe that the land/easement would be unusually difficult to manage/enforce, for example because of multiple or fractured ownership, frequent incidence of destructive trespassing, irregular configuration, or other reasons.
- The property is irreparably contaminated.
- The property cannot be acquired by the Trust with reasonable effort in relation to the property's conservation values.
- Ethical or public image problems exist in association with the acceptance of this project.
- NCLC cannot fulfill whatever stewardship responsibilities, i.e., monitoring management, and enforcement, associated with the given property.
- NCLC cannot reasonably secure funds to acquire the property.

Stewardship Framework

Based on NCLC's Stewardship Framework how would you rank this property?

- 1) Protection - Properties that are in sound ecological state (e.g., minimal invasive species or disturbances) and require negligible stewardship. NCLC generally asks for 15% of property's value to be placed in a stewardship fund.
- 2) Passive - Removing all ecosystem-degrading disturbances (e.g., livestock, grazing, wildlife barriers, invasive species infestations, dikes, and culverts) in order to allow an ecosystem to recover through natural processes. NCLC generally asks for 20% of property's value to be placed in a stewardship fund.
- 3) Active - May involve planting of native species (trees, shrubs, forbs, and grasses), adding structure (e.g., large woody debris), and reintroducing plant and animal species (e.g., keystone species, rare species). NCLC generally asks for 25% of property's value to be placed in a stewardship fund.

Comments: _____

The Board's Discretionary Role

All the preceding notwithstanding, the Board of Directors retains discretion over acquisition or disposition and will evaluate each project and proposal on its own merits after careful investigation of the Stewardship and Conservation Committee's recommendation, the property's resources, and its public benefits.

Appendix 49: Public Benefit of Transactions

NCLC evaluates and clearly documents the public benefit of every land and easement transaction and how the benefits are consistent with NCLC's mission. All projects conform to applicable federal and state charitable trust laws. If the transaction involves public purchase or tax incentive programs, the land trust satisfies any federal, state or local requirements for public benefit.

It is the legal and ethical obligation of NCLC as a 501(c)(3) land-saving organization to ensure that each land conservation project serves to benefit the public. This commitment to serve the community is emphasized in NCLC's mission statement and goals.

- All of NCLC's projects have documentation of the public benefit of the transaction.
- All projects have documentation of how the project is consistent with NCLC's mission.
- For donated easements, written project criteria incorporate the conservation purposes from the Internal Revenue Code (IRC) as appropriate to NCLC's mission, and any state requirements.

IRS Criteria for "Public Benefit"¹¹

¹¹ Selected from: Land Trust Alliance. 2006. *The Land Trust Standards and Practices Guidebook: An Operating Manual for Land Trusts*. Vol. 2. LTA, Washington, D.C.

The IRS criteria define four categories of “conservation purpose” that qualify a property as a conservation contribution:

1. Outdoor recreational or educational use by the general public;
2. Protection of a relatively natural habitat for fish, wildlife or plants, or similar ecosystem;
3. The preservation of a historically important land area or certified historic structure; and
4. Open space (including farmland and forest land) that is either preserved for the scenic enjoyment of the general public or protected pursuant to clearly delineated federal, state or local governmental conservation policy and that will yield a significant public benefit.

IRS regulations also describe at some length what constitutes a “significant public benefit.” The regulations list these factors to consider:

- The uniqueness of the property to the area;
- The intensity of land development in the vicinity of the property (both existing development and foreseeable trends of development);
- The consistency of the proposed open space use with public programs (whether federal, state or local) for conservation in the region, including programs for outdoor recreation, irrigation or water supply protection, water quality maintenance or enhancement, flood prevention and control, erosion control, shoreline protection, and protection of land areas included in, or related to, a government approved master plan or land management area;
- The consistency of the proposed open space use with existing private conservation programs in the area, as evidenced by other land protected by easement or fee ownership by [nonprofit organizations] in close proximity to the property;
- The likelihood that development of the property would lead to or contribute to degradation of the scenic, natural or historic character of the area;
- The opportunity for the general public to use the property or to appreciate its scenic values;
- The importance of the property in preserving a local or regional landscape or resource that attracts tourism or commerce to the area;
- The likelihood that the donee will acquire equally desirable and valuable substitute property or property rights;
- The cost to the donee of enforcing the terms of the conservation restriction;
- The population density in the area of the property; and
- The consistency of the proposed open space use with a legislatively mandated program identifying particular parcels of land for future protection.

Appendix 50: Site Inspection Procedures

NORTH COAST LAND CONSERVANCY

SITE INSPECTION PROCEDURES

1) Purpose of the Site Inspection

- a) The purpose of a basic site inspection is:
 - i) to determine whether the property meets the land trust's criteria,
 - ii) to identify any management-related problems, and
 - iii) to identify potential problems that must be investigated further.

2) Key Steps in Inspecting Property

NCLC's site inspection is an on-the-ground, documented inspection, which is done to determine if the transaction being considered fulfills NCLC's project selection criteria. NCLC's staff takes the following steps when preparing for and carrying out a site inspection:

- a) **Preparation before visiting the site.** Aerial, topographic and parcel maps provide information about the size and general physical features of the site. The Natural Resources Conservation Service Soil Survey and other resource inventories identify soil characteristics, plant communities and habitat types.
- b) **Inspection of key features and property boundaries.** If possible, an NCLC personnel walks the property with the landowner, who can provide historic information and identify key features. The inspection focuses on key conservation resources, structures, hazardous natural areas, areas of disturbed land use, etc. The inspector also walks the property boundaries to look for potential problems from adjacent land use, where practical. (See also *Practice 9D* on identifying property boundaries.)
- c) **If necessary, the on-the-ground inspection is supplemented with an aerial inspection or review of current aerial photos.** If NCLC cannot view an entire property on the ground, it uses recent aerial photos to check for structures, vegetation features, and signs of dumping.
- d) **Multiple visits.** NCLC tries to make multiple trips to the site if at all possible because successive visits may reveal additional information. Biological changes, such as the emergence of vernal pools, nesting sites, and plant species, may become evident. Additional site inspections also may uncover occasional uses on the property or adjoining lands that could pose management or resource problems, such as off-road vehicle use, hunting, logging, and dumping.

3) Observations and Evaluations during Site Inspections

During the site inspection, NCLC evaluates the property's conservation resources and the problems or drawbacks posed by the property. Key features that are looked for include,

- a) **Access.** Does the property have access to a public road and if not, how is legal access gained?
 - b) **Type, significance, and condition of conservation resources—such as wetlands, forests and other natural areas; agricultural land; presence of specific plant and animal species; historic or archeological resources; public views; and recreational potential.**
 - c) **Threats to resources, on-site and off-site—such as incompatible development on surrounding lands, harmful runoff, erosion, overgrazing, logging, mining, or non-indigenous invasive plants or animals.**
 - d) **Existing land use and intensity of activity—residential, agricultural, and recreational, including uses authorized under leases or rental agreements.**
 - e) **Existing improvements and their condition—such as buildings, stone walls, shelters, gates, dams, bridges, fences, trails, roads.**
 - f) **Visible easements and encumbrances—such as rights-of-way providing access for adjacent properties, power lines, railroad tracks, pipelines, water lines, and mineral exploration.**
 - g) **Safety hazards, both natural and structural—unstable or failing roads, bridges, buildings, or walls; landslides, fire or electrical hazards, and water hazards; steep cliffs attractive to trespassers and rock climbers; and swimming holes.**
 - h) **Public use problems—such as dumping of household trash, underage drinking or illegal drug use, and off-road vehicle use.**
 - i) **Evidence of hazardous waste problems—such as dumps, evidence of underground tanks, bald spots lacking vegetation or where vegetation is dying, fumes, or evidence of buried waste such as disturbed soil.**
 - j) **Adjacent land use—commercial, industrial or residential development; highways; farming; logging; water control; drainage; or potential hazardous or toxic waste.**
 - k) **Property boundaries—identified by monuments, fences, natural features, and the like—or note that they cannot be found.**
 - l) **Supplemental information—The site inspection is supplemented with an investigation of records and documents to gather other basic information about the property, including current planning and zoning of the property and information on liens, encumbrances, and ownership that should be turned up in a title investigation. The resulting property profile should furnish sufficient detail to determine whether and how to proceed with the transaction.**
- 4) **Off-site research**
Off-site research consists of reviewing published documents, including maps, and gathering oral history about the property. This research yields general information about historic uses, agricultural productivity, water resources, plant communities, wildlife habitat, recreational potential, open space significance, and aesthetic value. Potential sources of off-site information include:
- a) **Environmental planning studies** such as environmental impact reports

- b) **Plant and animal inventories**, such as local, state or federal wildlife studies or a state's natural heritage program database.
- c) **Government reports**, such as local general plans, U.S. Department of Agriculture soil surveys, geology reports, and wetlands studies.
- d) **Aerial photos and U.S. Geological Survey maps**. USGS maps show topography, generalized vegetation (including wetlands) and waterways. Aerial photos show development patterns, vegetation, wetlands, and waterways. Together they provide physical data to be field-checked on site.
- e) **Town or city histories** and/or historical society reports.
- f) **Title report** done by an attorney or title company. This will identify known mineral rights, past dumping sites, utility easements, etc.
- g) **Oral history** may be obtained through interviews with the landowner, family members, neighbors, and others who are familiar with the property.

5) On-site research

The property's conservation resources are examined in the field to identify what resources are represented and to provide basic information about their condition and significance. The level of detail varies depending on the type of resources and the conservation plans for the property. Often, obtaining the basic information listed below provides adequate documentation of resource value and condition.

- a) **Water resources**: Indicate kind and condition—pristine, degraded or restorable. Types might include:
 - i) Marsh; Riparian; River/stream; Open water; Vernal pools; Springs; Floodplain; Aquifer recharge area; and Upland watershed.
- b) **Natural habitat (plant and animal)**. The inspection might identify:
 - i) Rare, threatened or endangered species;
 - ii) Wildlife habitats; Plant communities;
 - iii) Documented biotic resources; and
 - iv) Whether the property connects or buffers other protected natural areas.
- c) **Agriculture**. The inspection might identify: Present and potential agricultural uses;
 - i) Presence of prime or productive agricultural soil; Favorable microclimates; and
 - ii) Whether the property buffers other productive agricultural land.
- d) **Open space**. The inspection should identify:
 - i) Whether the property is a documented open space resource in government policies or reports; and
 - ii) Whether it connects to or buffers other protected lands.
- e) **Aesthetic and cultural features**. The inspection should identify:
 - i) Archaeological sites; Historic sites; Geologic features;
 - ii) Scenic views from public roads or other areas;
 - iii) Whether the property has buffer value for any of above; Whether it is accessible to the public or could be; and
 - iv) Whether it is a potential park site.

If more detailed information is needed, the next step is a site-specific inventory.

6) Site-specific inventory

On-site inventories range in complexity from a simple listing of plant and animal species to a full narrative report. A full report summarizes existing data and focuses on the land's most significant features and resources. It provides details about them, shows where they occur on a map, lists species, and includes photographs and other relevant data. The kind of information provided depends on the type or resource to be protected. Inventories should also document historic and archeological values as well.

- a) **For natural lands**, a site inventory maps and describes plant communities and habitat types. It includes a species list of plants and animals observed or likely to occur on the site and whether rare, threatened, or endangered species or their habitats are present.
- b) **For scenic sites**, the inventory maps and portrays those elements of the landscape that make the site unique and scenic.
- c) **For agricultural sites**, the inventory identifies, by map and narrative, the soil types and/or features of the microclimates that make that land productive.
- d) **For productive forestland**, the inventory identifies forest types, species, site productivity, stocking levels and estimates of timber and values, accessibility, and sensitive sites.

Source: Land Trust Alliance. 2006. *The Land Trust Standards and Practices Guidebook: An Operating Manual for Land Trusts*. Vol. 2. LTA, Washington, D.C.

This information on carrying out site inspections is an abbreviated version of that found in Volume 2 of *The Land Trust Standards and Practices Guidebook: An Opening Manual for Land Trusts*, published by the Land Trust Alliance in 2006.

Appendix 51: Evaluating the Best Conservation Tool

The North Coast Land Conservancy works with the landowner to evaluate and select the best conservation tool for each property and takes care that the chosen method can reasonably protect the property's important conservation values over time. This evaluation may include informing the landowner of appropriate conservation tools and partnership opportunities, even those that may not involve the land trust.

Fee Ownership versus Conservation Easements

The North Coast Land Conservancy protects land through either fee ownership or a conservation easement.

Circumstances favoring ownership:

- The property contains highly sensitive resources.
- Public use is a significant conservation objective.
- The resources require intensive management.
- Surrounding lands are owned in fee by a land trust or other conservation organization or agency.

Circumstances favoring conservation easements:

- Conservation objectives include productive use.
- Private ownership is compatible with the conservation objectives.
- The Trust has the capability and finances to monitor and enforce the easement.
- Restrictions that protect the resources can be negotiated and can be reasonably monitored and enforced.

Circumstances under which development will be allowed

The objective of most of the North Coast Land Conservancy's transactions is to protect natural and cultural resources from development. However, some development might be appropriate. This may range from setting aside one or several house lots for possible future building, to selling a part of the property for intensive development, to actually developing the property and selling the lots or units. NCLC will only allow development if all of the following circumstances are met:

- The development is necessary to make a project feasible.
- The development will not cause significant damage to environmental resources.
- The development is compatible with the area's master plan, zoning, or open space plan.

If engaging in a partnership on a joint acquisition or long-term stewardship project, agreements are documented in writing to clarify, as appropriate, the goals of the project, roles and responsibilities of each party, legal and financial agreements, communications to the public and between parties, and public acknowledgement of each partner's role in the project.

NCLC documents all partnerships on a joint acquisition or long-term stewardship project. The documentation takes the form of a joint venture agreement, which includes the goals of the project and the roles and responsibilities of each party, as required by *Practice 8J: Partnership Documentation*. NCLC's joint venture agreements address the following areas:

- Negotiations (who contacts the landowner, public agency, etc.);
- Responsibilities for other specific tasks;
- Specific plans for disposition, management, and/or monitoring of the land or easement;
- Out-of-pocket financial commitments;
- Transaction costs (who pays what, when and how bills are paid);
- Plans to split projected generated income (if applicable);
- Buy-out provisions;
- Decision-making processes;
- Confidentiality requirements; and
- Methods for handling disagreements (mediation/arbitration).

Agreements include a “good faith and trust” clause, stating that both parties have a mutual interest in a successful outcome to the project and will resolve problems in good faith.

Appendix 53: Independent Legal Advice

NCLC refrains from giving specific legal, financial, and tax advice and recommends in writing that each party to a land or easement transaction obtain independent legal advice.

NCLC advises all landowners working with the Trust on a land or easement transaction to obtain legal counsel, and documents that recommendation in writing in order to safeguard from claims by landowners that the Trust gave them legal advice. NCLC does

provide technical assistance and information to help landowners and their advisors better understand transactions. Technical assistance includes providing draft documents of informational material, making referrals to sources of expertise, and discussing goals, purposes, and practical implications. In some cases, NCLC might provide generalized legal information, make calculations based on clear, stated assumptions, provide statute citations and copies of court decisions for the landowner to discuss with their lawyer, etc. The following are examples of the advice NCLC provides to landowners.

NCLC gives technical assistance to landowners. This may include:

- Providing information about land protection mechanisms and what a land trust can do
- Discussing and providing information about what the general legal and tax implications of a transaction might be, based on certain clear assumptions about the transaction
- Discussing the requirements for a conservation easement to qualify as a charitable contribution
- Reviewing an appraisal report on a conservation easement and point out any obvious failures to comply with IRS regulations
- Providing landowners and their lawyers with tools and information

NCLC does not provide legal advice, and as such the land trust may not:

- Tell landowners what they should do or what action is in their best interests, legally or financially
- Make assurances about what the specific legal and tax implications of a particular transaction will be
- Assure that a particular easement will be deductible
- Assure that an appraisal report will meet IRS requirement

Appendix 54: Environmental Hazards Assessment

NCLC takes steps, as appropriate to the project, to identify and document whether there are hazardous or toxic materials on or near the property that could create future liabilities for the land trust.

The *Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)* and the *Superfund Amendments and Reauthorization Act of 1986* work together to ensure the effective cleanup of sites contaminated by the release of hazardous and toxic materials. In general, the owners and operators of a property are responsible for cleaning up hazardous waste. In order to avoid acquiring properties with hazardous waste and protect the land trust from liability, NCLC carries out an environmental

evaluation or assessment for every property it considers acquiring, whether by purchase or donation.

Appendix 55: Post-Closing Checklist for Land Acquisitions

THE NORTH COAST LAND CONSERVANCY POST-CLOSING CHECKLIST FOR LAND ACQUISITIONS

When a conservation property is added to the lands NCLC stewards, the following

follow-up is needed:

_____ The Conservation Director and Land Steward are to ensure that all materials on the newly acquired conservation land are organized, filed according to the records policy, and available in both digital and paper format.

_____ The Conservation Director is responsible for ensuring that all necessary city and state-related forms and communications are or have been completed.

_____ A comprehensive file needs to be created on the newly acquired property. This file includes the following items along with any other pertinent information:

- Summary/Votes
- Correspondence Documents
- Taxes
- Appraisal
- Title Abstract
- Notices
- Maps/Photos
- Drafts

If the property is an addition to an existing property, either start a new file or start a new section in the existing file

_____ Place original deed(s) in fireproof file cabinet

If there is a Memorandum of Understanding:

_____ Place in the Memorandum of Understanding file in fireproof file cabinet (also consider putting into a safety deposit box)

_____ Place a copy in the file

_____ Make approximately 4 copies of the boundary map and file

_____ Determine what additional tax forms, inventories, etc. will need to be done in the coming year(s). Schedule time for completing and mailing these and include this schedule in the conservation land's file.

_____ The Stewardship Management Plan for the property needs to be created and added to the file.

Appendix 56: Records Policy

The Mission of the North Coast Land Conservancy (NCLC) is to serve as a resource to Northwest Oregon coastal communities and landowners to conserve and protect land in perpetuity for its ecological, passive recreational and cultural values. NCLC recognizes

that maintenance of consistent, complete, secure, and authentic records is essential to achieve its conservation mission. NCLC's Records Policy has been developed to ensure compliance with the intentions of NCLC's donors, including conservation easement donors, to document and sustain the conservation values of protected lands under conservation easement or in fee ownership, and to secure NCLC's public charitable status. The NCLC Records Policy supports and is integral to other NCLC policies. All of NCLC's files are the property of NCLC, not members of the staff or Board of Directors.

This policy, as adopted by the NCLC Board of Directors, embodies the functional principles of NCLC's Records Policy. Additionally, NCLC's Executive Director is empowered to develop and amend procedural documents as needed to implement the Records Policy.

It is essential that NCLC maintain secure and authentic records. To that end, it is the policy of NCLC to store original conservation project documents as well as original business documents and digital back-ups of the office network, in a safe location. Onsite documents shall be housed in a fireproof safe or cabinet or moved to a secure off-site storage facility. Removal of documents will be allowed only under circumstances outlined in the Records Policy Procedures, Section 2, Important Records Storage, and as approved by the Executive Director.

Records Policy and Procedural Review

At a minimum, the Executive Director will review and report the status of this Records Policy to the Board of Directors annually to ensure compliance and to ensure that the policies stated herein continue to serve the best interests of NCLC.

1) Section 1 - Conservation and Stewardship Records

- a) It is crucial that NCLC's Board of Directors have ample opportunity to review all proposed conservation projects and to maintain those that are approved and implemented. For this purpose, NCLC staff will create and maintain files for each conservation project in both digital and physical form. NCLC staff will provide preliminary project information in a timely manner to the Board of Directors. Formal project files will be initiated when the Board of Directors provides initial approval for a conservation project. NCLC staff will carefully document all steps in the development of conservation projects as they progress according to NCLC policies and procedures. Original, signed documents and contact records and a digital backup for each conservation project are to be permanently stored and protected in the Trust's safety deposit box or in a fireproof cabinet or safe.
- b) The Conservation Director is responsible for clear and accurate record keeping for all conservation projects in development up to and including closing. Stewardship Director is responsible for clear and accurate stewardship records post-closing.

2) **Section 2 - Important Records Storage**

- a) Conservation Easements are perpetual. As holders of the easement, NCLC assumes a perpetual responsibility to ensure the existence, authenticity, and integrity of the original legal document and supporting records. As a public charity, NCLC also assumes the responsibility of adhering to sound business practices, thus ensuring protection of the organization's business documents.
- b) Original conservation easement documents must be archived in a secure storage facility that is protected from natural disasters. Access to the documents stored in this facility is restricted to the Executive Director and Executive Committee of the Board of Directors.

3) **Original documents placed in the archive shall include:**

- a) **Administration documents:**
 - i) Articles of Incorporation (CAB)
 - ii) IRS designation (CAB) Automobile titles (CAB)
 - iii) Promissory notes, mortgages, and other security instruments (SDB)
 - iv) Annual digital back-ups of computer network data files (CAB) Annual digital back-ups of QuickBooks financial records (CAB)
 - v) Annual financial audit reports (CAB)

4) **Conservation documents:**

- a) Conservation easements, easement amendments (SDB)
- b) Baseline reports and photo/video documentation (CAB)
- c) Option agreements, leases, etc. related to interests in real property (CAB)
- d) Gift deeds, warranty deeds, transfer agreements, access easements
- e) Reserved rights documentation (SDB)
- f) Title Insurance Policies (or Evidence of Title Investigation)
- g) Forms 8283
- h) Critical Landowner Correspondence (letters related to project goals, tax and legal matters, agreement approvals, etc.)

5) **Stewardship documents:**

- a) Annual conservation easement monitoring reports and photo/video documentation (CAB)

**SDB- Safety deposit box, CAB - Fireproof cabinet or safe*

6) **Digital Document Back-up System**

- a) In addition to safely storing the physical documents described above, NCLC maintains a back-up system for all permanent files and digital data. The purpose of this system is three-fold:
 - i) to create reliable, retrievable data in the case of computer malfunctions;
 - ii) to create copies for historical purposes, since it is not possible to physically archive every document; and
 - iii) to preserve digital copies of physical documents and photographs that may deteriorate over time.

- b) All staff shall daily back-up their computers to the server, **which is backed-up automatically to a remote offsite storage system.**

7) **Section 3 - Financial Records**

- a) As a public charity and an organization responsible for easement defense in perpetuity, NCLC must manage its finances and assets in a responsible and accountable manner. To that end, it is the policy of NCLC to maintain complete, accurate, and credible documentation of its financial management activities.
- b) The Finance Committee is responsible for ensuring that the bookkeeper is maintaining all required financial documentation (see records retention policy).
- c) Access to these records is limited to the bookkeeper, the Executive Director, and the Board of Directors, due to the confidential nature of certain contents (i.e., payroll). Specific reports that do not contain confidential information will be made available to staff and volunteers as needed (e.g., past event expenses). The accounting software is password protected, as are certain digital financial records.

8) **Section 4 - Personnel Records**

- a) Personnel files contain each employee's personal information and work-related information. Such records are maintained for each employee and will be held confidential. To that end, access to personnel files is limited to the Executive Director, except as provided immediately below. Employees will be given access to their individual files, except that some password-protected documents may be restricted to the Executive Director. Physical personnel records will be stored in the office of the Executive Director in a locking file cabinet. The digital copies of confidential personnel records are available only to the Executive Director under password protection.

9) **Section 5 - Fundraising Records**

- a) NCLC is committed to raising funds in an ethical and accountable manner. Quality record keeping of the fundraising program demonstrates that NCLC complies with charitable solicitation laws, accurately represents its claims and intended use of funds, and uses restricted funds as specified by donors. To that end, it is the policy of NCLC to maintain accurate and complete records regarding fundraising activities. NCLC tracks all donations by entering the information on each donor and donation into the Trust's fund-raising software program and the yearly donations log. This is primarily the responsibility of the Development Director.

10) **Section 6 - Outreach Records**

- a) Outreach records are kept so that there is continuity in our outreach efforts from year to year. Outreach records are a resource for educating volunteers, staff, and coordinators of events so that they adhere to the NCLC vision and to communicate to our members and the public in general. Outreach records are to be maintained by NCLC staff and volunteers. This is primarily the responsibility of the Development Director.

11) **Section 7 - Administrative Records Management**

- a) In order to practice sound business procedures, it is the policy of NCLC to maintain records of its business activities, board meetings, and office administration, and to carefully maintain these records in a secure manner. It is also NCLC policy to diligently protect and secure all digital records and the organization's computer system through use of current and complete security tools and equipment. This is primarily the responsibility of the Executive Director.

12) **Section 8 - Record Retention Schedule**

It is the policy of NCLC to retain files as follows:

a) *Indefinitely*

i) Administration documents:

- (1) Audit reports by accountants
- (2) Capital stock and bond records
- (3) Chart of Accounts
- (4) Correspondence: legal and important subjects
- (5) Insurance records
- (6) Minute books and by-laws
- (7) Certificates of Incorporation
- (8) Tax returns and supporting documentation

ii) Conservation documents:

- (1) Deeds, mortgages, option agreements
- (2) Conservation Easements and Amendments
- (3) Baseline Assessment and Photo Documentation
- (4) Reserved Rights Documentation
- (5) Property appraisals
- (6) Title Insurance Policies (or Evidence of Title Investigation)
- (7) Forms 8283
- (8) Critical Landowner Correspondence

iii) Stewardship documents:

- (1) Monitoring Reports
- (2) Contact Records, easement correspondence

b) *For Ten Years*

i) Administration documents:

- (1) Payroll and related records
- (2) Employment personnel records (after termination)

c) *For Seven Years*

i) Administration documents:

- (1) Accident reports and claims for settled cases
- (2) Financial Statements, year-end
- (3) Conservation documents:
- (4) Expired option records
- (5) Stewardship documents:
- (6) Restoration Project Files and Photo Documentation

d) For Five Years

- i) Administration documents:
 - (1) Internal audit reports

e) For Three Years

- i) Administration documents:
 - (1) Cancelled checks
 - (2) Contracts and leases that have expired
 - (3) Correspondence, except that correspondence between the Land Trust and landowners relevant to recorded conservation easements shall be kept indefinitely.
 - (4) Employment applications
 - (5) Expired Insurance policies
 - (6) Conservation documents:
 - (7) Correspondence, except that correspondence between the Land Trust and landowners relevant to recorded conservation easements shall be kept indefinitely

f) Keep as appropriate

- i) Administrative documents:
 - (1) Contracts and leases
 - (2) Bills of Sale and personal property and vehicle titles
 - (3) Outreach lists - names, phone numbers and email addresses

Destruction of business records after the prescribed holding periods expire shall be completed under the direct supervision of the Executive Director, but only after explicit, written approval by the Executive Committee of the Board of Directors. Said expired business records shall be burned or shredded to ensure the privacy of records.

Amended by the Board of Directors: April 10th 2015

Thomas S. Horning

Board Secretary

Appendix 57: Policy on Marketable Assets

The North Coast Land Conservancy may sometimes receive, by charitable gift, by bequest, or by purchase through a bargain sale, real property, personal property, or financial instruments such as securities or mutual funds. The Board of Directors has adopted this policy statement to guide decisions on the receipt, holding, transfer and resale of such marketable assets by the Land Trust.

The North Coast Land Conservancy welcomes gifts of land or other marketable property which can be used, managed or sold by the organization to further its non-profit conservation mission when consistent with the following guidelines:

- 1) The intent of the donor should be clearly communicated to NCLC in writing, including the program or project the donor wishes to benefit from the gift of property. Options the Land Trust may choose for the management, sale or transfer of donated marketable assets, and how the proceeds will further the donor's charitable intent, should be disclosed and discussed with the donor in advance of the gift if possible. In some cases, a written donation agreement may be appropriate.
- 2) Any asset offered for donation or sale to NCLC will be carefully evaluated, using outside professional advisors where appropriate, to ensure that it is in a useable, safe and marketable condition at the time of the transfer. Consideration will be given to the level of staff work required, potential liability of ownership and other issues related to accepting, managing and liquidating a donated asset, relative to its value to the organization.
- 3) Donations of corporate securities, bonds, mutual funds or other marketable financial instruments normally will be sold upon receipt, and the proceeds of sale transferred to the appropriate NCLC account to fulfill the donor's intent.
- 4) Donations of vehicles, equipment, art or other personal property will be evaluated for their usefulness to NCLC's office or to a conserved land. Gifts of vehicles or equipment will be accepted only if in a safe and serviceable condition. If no

practical and beneficial use for donated personal property is apparent, it will be sold and the proceeds used in accord with the donor's intent.

Real property (land) gifts will not be accepted until a thorough due diligence review (e.g. preliminary title report, surveys, environmental hazards assessment, building inspection reports, land use permits and other appropriate documents) shows that the donor has clear, marketable title to the land, and that there are no outstanding easement, legal, land use or environmental issues or conditions that would cause problems or potential liability for the Trust.

- 5) A "Phase I" environmental hazards assessment must be provided or prepared, unless the Board of Directors agrees to waive this requirement for a particular property. A gift of property will not be accepted if it is deemed to have undue risk of injury or liability, or unreasonable holding, management, tax and transfer expenses to NCLC relative to the potential benefit of receiving the gift.
- 6) When real property is donated, or is purchased with the intent of transfer or resale to a private party or public agency, the North Coast Land Conservancy will first evaluate whether significant conservation values exist on the property, using NCLC's Conservation Project Selection Criteria. In cases where a property has high conservation value, it should be considered for long-term ownership by NCLC, provided that there is adequate capacity to own and manage it responsibly, or be transferable to another qualified conservation agency. In some cases, the conservation values of donated land may be protected with a conservation easement on all or part of the property, with the easement granted either before or at the time the property is transferred to another owner.
- 7) NCLC may also receive real property with little or no conservation value, in which case the property may be sold to generate funds to support NCLC's programs or projects. The decision to hold, sell or transfer any real property will be made by the Board of Directors.
- 8) Careful consideration will be given to the staff time, commitment, and direct management costs associated with receiving and managing real property until its appropriate disposition is completed. Real or personal property accepted for donation will be reported to NCLC's liability insurance carrier to insure appropriate insurance coverage during the period of NCLC ownership.
- 9) For any asset being sold to a private buyer, NCLC will seek to receive the full fair market value of the asset. Professional advisors, such as attorneys, appraisers, land planners and real estate brokers, should be consulted as appropriate to determine the best strategy to achieve the full market value. Donated land that is being sold or transferred to a private party should be priced for sale based on an appraisal report or letter of opinion from a qualified real estate appraiser. If land is to be restricted by a conservation easement, an appraisal will be made to determine the diminution in market value attributable to the easement.

10) Assets may be sold to a member of NCLC's staff, Board of Directors or advisory council or a member of their immediate family only in compliance with the adopted Conflict of Interest Policy. Once a staff, board of advisory council member states an interest in purchasing an asset, they shall recuse themselves from any discussion or participation in NCLC's disposition process for that asset. Such assets will be offered on the open market before sale to any NCLC insider.

The Executive Director is authorized to pursue the disposition of any donated marketable financial instrument in accord with this policy. The Board of Directors must approve the disposition of:

- a) any real property;
- b) any personal property; and
- c) any property being sold to a member of the staff, Board of Directors, or advisory council. The Board will consider whether a general public offering or the use of a broker is appropriate for the sale of a particular asset.

11) The Executive Director will consult with an accountant to ensure that the acceptance and disposition of any donated asset fully complies with federal and state tax laws, including requirements for the donor to have an independent appraisal to determine the value of certain donations, NCLC's obligation to review the appraisal, and the requirements of filing IRS forms 8283 (Non-Cash Charitable Contributions) and 8282 (Sale, Exchange, or Other Disposition of Donated Property).

Appendix 58: Easement Stewardship Funding Policy

The North Coast Land Conservancy determines the long-term stewardship and enforcement expenses of each easement transaction and secures the dedicated or operating funds to cover current and future expenses. If funds are not secured at or before the completion of the transaction, NCLC has a plan to secure these funds and has a policy committing the funds to this purpose (See Practice 6G).

1) Description of Stewardship Fund

This policy establishes the principles governing a fund for the stewardship, monitoring and enforcement of conservation easements accepted by the North Coast Land Conservancy (NCLC) and the methods to determine adequate contributions to the fund.

In accepting conservation easements, NCLC takes on stewardship responsibilities to ensure that the integrity and terms of the conservation easement are not violated. These responsibilities include monitoring and, if necessary, enforcement of the terms of the easement. These are permanent responsibilities the NCLC must have

the capacity to perform in perpetuity. As a result, NCLC shall ask that each grantor of a conservation easement donate a cash contribution to NCLC's Stewardship Fund sufficient to cover NCLC's responsibilities and potential liabilities in perpetuity. The Stewardship Fund ensures that NCLC will be able to honor its commitment to monitor and enforce the terms of the easement for future generations and owners.

NCLC's primary goal for the Stewardship Fund is to grow the principal to an amount capable of supporting the organization's ongoing and increasing stewardship, monitoring, and legal defense obligations. It is essential that NCLC continue to build the principal of the Stewardship Fund.

2) Conservation Easement Funds

Dedicated Funds received for easements will be immediately transferred to NCLC's beneficial interest in Oregon Community Foundation assets. These funds are no longer held by NCLC and cannot be recalled from principal once contributed to the Oregon Community Foundation. These funds earn investment income that can be used for stewardship endeavors.

3) Withdrawals for Enforcement

NCLC currently asks for enforcement monies as part of the conservation easement stewardship calculation (Appendix 32), with a minimum of \$5,000 per property. NCLC has enrolled in TerraFirma, a charitable risk pool affiliated with the Land Trust Alliance, which affords NCLC additional enforcement insurance coverage for its conservation easements.

4) Purpose of the Stewardship Fund

Ensuring that NCLC has the capacity to meet its future responsibilities has a direct bearing on preserving the integrity of both the conservation easement restriction and the organization as a whole. NCLC has obligation under law that must be met, or its tax-exempt status could be in jeopardy.

The Stewardship Fund contribution covers four principal functions:

- a) **Monitoring.** The Stewardship Fund covers the costs of future monitoring visits to protected properties. Monitoring visits will be accomplished annually, and are opportunities to form a relationship with the landowner in addition to routine monitoring tasks. Costs incurred in monitoring may include mileage, postage, copies, time on the site and other direct expenses. (Monitoring standards and procedures can be found in Section 11C of NCLC's Standards & Practices.)
- b) **Legal Defense.** A portion of the contribution to the Stewardship Fund builds NCLC's legal defense capability. Over time, violations of conservation easements held by NCLC may occur. Most will be settled by voluntary means. However, NCLC must be prepared to defend the restrictions by arbitration or litigation, if necessary. (Standards & Practices 11E)
- c) **Preventative Measures.** Orientation meeting with new landowners, surveys or boundary marker and boundary marker signs.

- d) Inflation Adjustment. A portion of the Stewardship Fund ensures that NCLC will be able to meet its future stewardship responsibilities, recognizing increased costs of doing business and the effect of inflation. Therefore, it is NCLC's objective that the Stewardship Fund grow by at least the rate of inflation to maintain monitoring and enforcement capacity.

5) Basic Operating Principles

- a) NCLC shall not accept a conservation easement to be held permanently by the trust without a corresponding contribution to the Stewardship Fund by the grantor, NCLC, or a third party unless approved by NCLC's Board of Directors.
- b) NCLC shall determine the amount of the needed addition the Stewardship Fund for each proposed conservation easement by completing the "NCLC Stewardship Contribution Calculation Formula."
- c) Stewardship contributions shall be pooled in one fund. Stewardship Fund contributions shall be deposited in a separate bank account that is available to meet the costs of the stewardship program. NCLC's Board of Directors reserve the right to establish separate funds for specific properties. At its discretion, the Board may elect to convert this fund into a restricted fund or endowment.
- d) The goal of the Stewardship fund is to use only the interest gained on the fund for stewardship purposes stated in this policy.

6) PROCEDURES

NCLC shall ask landowners to make a contribution to the Stewardship Fund—as determined by NCLC's "NCLC Stewardship Contribution Calculation Formula" (see Appendix 31)—at the time the conservation easement is granted (i.e., the closing) since NCLC's responsibilities and liability begin at that point. However, if this is not possible, NCLC may ask the landowner to sign a stewardship contribution pledge agreement that allows for payment of the contribution over a period of time. In instances where a contribution to the fund will cause an undue hardship on the grantor, NCLC's Board of Directors may, at its discretion, lower or waive the contribution request. If such action is taken, the NCLC Board shall seek other sources of payment such as private individuals, public agencies, or granting organizations, but will comply with its Policy on Funding Easement Stewardship.

Amended by the Board of Directors on May 8, 2015.

Thomas S. Horning
Board Secretary

Appendix 59: Baseline Documentation Procedures & Outline

Baseline inventories and documentation are legally required components of the conservation easement process (U.S. Treasury regulations 1.170A-14(g)(5)(1)) if a tax deduction is taken for the easement. It is NCLC policy to complete a Baseline Inventory and Documentation for all Land Conservation Projects. Documentation will include both a digital property stewardship and baseline documentation and a complete paper document with maps and photographs. The original paper copy and digital backup will be stored according to NCLC's Records Policy.

Baseline inventories and documentation require multiple steps, many of which include input from outside the North Coast Land Conservancy. The following checklist may include items that are not relevant for a specific property, and may not be inclusive of all data needs for all properties. The checklist intent is to assure a comprehensive document that serves the following purposes:

- The inventory and documentation process can be used to craft a more comprehensive and representative conservation easement by identifying rich or sensitive areas of biological, scenic, or historic values.
- In the event that a conflict arises related to the conservation values and resources of the property, the document serves as the basis for resolving the dispute.
- The baseline document can further educate and inform the landowner of the property's conservation values, enhance NCLC's relationship with the landowner, and further NCLC's conservation mission.

Field visits completed during the baseline assessment require considered preparation to assure efficient and comprehensive collection of needed information. Prior to field visits, the observer should prepare as follows:

- Become acquainted with all preliminary information, including maps, photos, property location, landowners' conservation interests, and known resource information.
- Review and/or prepare maps or photos with property boundaries, locations of known resources and conservation interests.
- Identify resources that will require additional consideration and invite necessary experts.
- Determine the best times for field surveys, such as early mornings for breeding bird surveys.
- Obtain landowner permission for site visits.

- Prepare needed materials, including: necessary forms, resource records, maps, photos, compass, digital camera with charged batteries, film, GPS unit, measuring tape, field identification books, photo documentation data form, pens/pencils, binoculars, hand lens, flagging tape, plant press, clip board, etc.

Baseline Documentation Outline

- 1) Cover Page
 - a) Name of conservation easement property
 - b) Photograph of property
 - c) County
 - d) Date of conservation easement
 - e) Date of Baseline Documentation Report
- 2) Summary and Background Information
 - a) Name, title, and address of preparer(s)
 - b) Name and address of current landowner
 - c) Recordation data
 - d) Location. Property name, county, state and general location relative to known roads or physical features.
 - e) Acreage
 - f) Required monitoring frequency
- 3) Property Condition Certification
 - a) Notarized certification of property condition by NCLC representative
 - b) Notarized certification of property condition by landowner(s)
- 4) Purpose of the easement
 - a) Summary of purpose and intent of the easement
- 5) Legal Summary
 - a) List of all prohibited uses and current conditions
- 6) Manmade Features, Structures, and Improvements
 - a) Property Ownership and Use History. Interview knowledgeable old-timers, review county records, etc.
 - b) Current Resource Uses. Document current resource uses, including ongoing agricultural practices, residential occupation, and land improvements.
 - c) Existing structures. Describe and map all man-made features, including roads, fences, buildings, irrigation structures, and other alterations of natural features. Include all structures, even those not currently used.
 - d) Designated building sites. Map outlining where reserved rights are designated.
- 7) Physical Environment, Ecological Features, and Conditions
 - a) Property Description. Prominent features and land types acreage of easement.
 - b) Geology. Map the property's geologic features and discuss features of relevance to easement stewardship. Document mineral rights. Obtain qualified review of mineral extraction potential if rights are severed from fee ownership.
 - c) Soils. Develop map and description of property's soil types. Document soil features that effect vegetative productivity, habitat types, agricultural practices and development potential.

- d) Hydrology. Map and describe hydrologic resources. Document water quality and quantity, as far as known. Document past and anticipated water uses.
 - e) Vegetation. Map and describe vegetative features by cover type. Description may be presented relative to agricultural uses and natural resources
 - f) Fish and Wildlife. Complete and document comprehensive field visits, in multiple seasons, if possible, to inventory fish and wildlife use of the property. Involve agency and species specialists in field reviews.
- 8) References
- a) Presented by subject areas such as history, ecology, physical features, etc. Include personal communications.
- 9) Appendices
- a) Topographic map
 - b) County tax assessor map
 - c) Road map and driving directions
 - d) Vicinity map
 - e) Ecological features map
 - f) Manmade features map
 - g) Photos of manmade structures
 - h) Photo point map
 - i) Photo data sheet
 - j) Photo point photos
 - k) Copy of the recorded conservation easement

Appendix 60: Monitoring Policy

1) Guiding Principles

The North Coast Land Conservancy (NCLC) is dedicated to upholding its legal and community obligations to preserve the conservation easements it accepts and fee lands it owns. In recognition of the fact that NCLC's stewardship responsibilities are perpetual in duration, NCLC understands that one of the keys to preserving these easements and lands is its commitment to monitor, defend, and enforce the terms of each conservation easement on a consistent basis. In addition, NCLC from time-to-time may own lands in fee that contain reserved life estates and will become either trade lands or public conservation areas, and NCLC understands that regular monitoring of such lands is critical to conserving the valuable attributes of such fee lands.

2) Frequency of Monitoring:

Pursuant to the national Land Trust Alliance's standards and practices, NCLC monitors each of its conservation easements and fee lands on an annual basis or as

needed.

- 3) Method of Monitoring: NCLC monitors all of its land by onsite inspections using access via on foot, boats, and/or driving.
- 4) Monitoring Process: NCLC staff shall send at least one written communication to each conservation landowner describing each monitoring visit. NCLC staff shall adequately prepare for each monitoring visit by familiarizing themselves with the conservation easement, baseline documentation, prior monitoring reports and the monitoring form. NCLC staff shall, at a minimum, visit or view all areas of the property subject to restrictions on use and any areas of recent development activity to determine compliance with the terms of the conservation easement.
- 5) Monitoring Follow-up: NCLC staff shall adhere to procedures to assure that any questions that arise during a monitoring visit or any activities that are identified that may constitute a violation of the easement are addressed in a timely and professional manner, and to assure that NCLC reserves its rights to enforce an easement if it becomes necessary. All such actions shall be documented in writing and reported to NCLC's Executive Director. The Executive Director shall report all suspected violations to the Chair of NCLC's Board of Directors and follow the procedures outlined in the Conservation Easement Violation Prevention & Response (see Appendix 63). The procedures shall require that each monitoring visit be represented by a written monitoring report that is signed by the individual who performed the monitoring visit. All monitoring reports and any follow-up actions shall be archived in accordance with NCLC's Records Policy (see [Appendix 56](#)).

Appendix 61: Conservation Easement Compliance Monitoring Report

Site Name (Tract Name):

Date of LAST Monitoring Report:

Date of THIS Monitoring Report:

Legal Status*:

Monitoring Comments:**

Cost of This Year's Monitoring Effort*:**

Monitor(s):

Name:

Affiliation:

Address:

Phone Numbers:

Email Address:

Name:

Affiliation:

Address:

Phone Numbers:

Email Address:

List any others present at visit (*for owner or owner/representative, see below*):

Did the owner or representative accompany monitor? If not, was the owner / representative contacted before the visit:

Was easement read immediately before site visit:

***Legal Status**

In Compliance: No current violations of easement terms were observed by the monitor.

In Review: Monitor's observation(s) suggest that a violation of easement terms may have occurred, and that is currently being assessed.

In Violation: There is currently a violation of easement terms requiring enforcement action.

Not Applicable: *Only* to be used for managed area records which are not subject to legal monitoring.

** Enter comments or observation that pertain to the legal status, note reasons for and approval of any extensions of monitoring interval beyond one year.

*** Enter the approximate cost of this year's monitoring and reporting, (e.g. staff time, hard costs, travel).

Use a calculation or approximation that will be meaningful for the operating unit which budgets for the monitoring of this easement.

Easement was visited/viewed by: foot car airplane boat

Easement was visited from:

Weather Conditions:

Did you visit the entire easement property: Yes No (describe extent)

PROPERTY INFORMATION AND CONTACTS

Present Landowner: Name: Address:
 City, State, Zip:
 Phone(s):
 Email:

Original Grantor:

Recordation County/Date/Page:

Legal Description & Acres:

Driving Directions:

Conservation Purposes:

Target Elements:

CONSERVATION EASEMENT INSPECTION

Monitor's Observations:

Describe current land use practices on easement lands in detail:

Have there been any changes in these practices from the last monitoring?

No

Yes:

Adjacent Lands:

Note any activities on adjacent properties, if relevant:

Natural Catastrophic Events:

Have there been any natural catastrophic events since last inspection?

No

Yes:

If Yes, are there any activities planned to address the damage and restore the habitat?

No

Yes:

Are they consistent with the easement? No Yes

Prohibited Uses:

Below are the uses that are prohibited by the landowner(s) through the conservation easement. Provide descriptions of any prohibited uses observed with extent and location, content of any materials, and determine when the use occurred. Answers should be objective and descriptive – make observations not conclusions.

Narrative:

LANDOWNER INTERVIEW

How were the following questions answered:

in person by phone by mail other _____

List the name (and position, if applicable) of the person(s) that answered the questions:

Print the interviewer's name: _____ Date: _____

Questions for the landowner:

	No	Yes
Has the landowner entered the conservation easement areas at anytime since the last monitoring visit? If yes, explain.	<input type="checkbox"/>	<input type="checkbox"/>
Have any plans for the property changed (e.g., ownership, management, etc.) or have there been any changes in the ownership or management of the property?	<input type="checkbox"/>	<input type="checkbox"/>
Have there been any problems with neighbors or trespassers since the last monitoring visit (e.g., trash, trail impacts, ATV use, partying, hunting, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>
Have any prohibited uses occurred on the property? (Go through the list of prohibitions with the landowner.)	<input type="checkbox"/>	<input type="checkbox"/>

Monitor's
Signature: _____

Monitor's
Signature: _____

Appendix 62: Site Photo Data Sheet

NORTH COAST LAND CONSERVANCY SITE PHOTO DATA SHEET

Annual Site Visit Photo Data Sheet

Site:

Date:

Photo	Compass Bearing	Photo-Point Location & Directions	Photo Description	File Name
1	N	Photo-Point Location (UTM):		AshCrk.2013.PP2-1N
	E			
	S			
	W			
2				

Photos taken by:	Signature: _____	Date:
Data recorded by:	Signature: _____	Date:
Camera:		

Appendix 63: Conservation Easement Violation Prevention and Response Procedure

1) Violation Prevention

- a) In easement documentation, NCLC will include a statement that requires the conservation easement landowner to contact the Trust when land changes hands
- b) Request for notification (of new landowner) will be included within the baseline document
- c) When communications are sent to conservation easement landowners indicating upcoming monitoring, a request for notification of new land ownership is included
- d) The Trust periodically conducts title searches on NCLC's conservation easements
- e) If there is a new conservation easement landowner, NCLC will:
 - i) schedule a meeting
 - ii) explain easement, monitoring, etc. in the meeting
 - iii) provide the new landowner with a copy of the baseline document
 - iv) update conservation easement databases and files

2) Violation Response

- a) NCLC staff will report the potential violation to the Land Steward.
- b) The easement and baseline documents will be reviewed.
- c) The Land Steward will visit the site, physically inspect violation, document findings with photographs, maps, Global Positioning coordinates, measurements, etc.
- d) The Land Steward will evaluate violation and potential corrections/actions with Executive Director.
- e) The conservation easement landowner will be contacted to discuss possible violation and the conversation will be recorded in writing.
- f) If a violation has occurred, a letter will be sent to the conservation easement landowner focusing on explanations and requests (i.e., why the incident was a violation, the corrective measures required, a deadline for compliance), offer of assistance; need for compliance inspection.
- g) The site will be inspected following corrective measures (or time at which such measures should have occurred).
- h) If there is non-compliance, an attorney will be notified and the matter will be discussed with the Board of Directors.

Appendix 64: Conservation Easement Landowner Request Considerations

- 1) Approval requests that satisfy an expressed landowner need, have a better or at least neutral effect on the resources conserved, and are consistent with the overall purposes of the conservation easement are generally permitted. The North

Coast Land Conservancy aims to be as flexible and permissive as is consistent with the conservation easement and with applicable laws.

2) Principles and considerations:

- a) is it consistent with the overall purposes of the conservation easement?
- b) will it enhance the resource values conserved or have a neutral effect?
- c) are there any feasible alternatives available to achieve a similar purpose?
- d) will denial cause undue hardship over which the landowner had no control?
- e) are there any issues regarding private benefit?
- f) is it consistent with any other written expressions of the original Grantor's intent?
- g) if there are conservation easement co-holders, is it consistent with their policies?
- h) is it consistent with one of the below circumstances?

3) Private Benefit Test.

- a) Conferring benefit (from a legal perspective) upon private parties without those private parties reciprocating with an equivalently valued public benefit to the NCLC could threaten the tax-exempt status as an organization that is federally recognized as "operated exclusively" for charitable purposes.
- b) Paying cash for amendments is not a satisfactory resolution to this issue. The public benefit in exchange for the amendment must be measured in actual conservation value - either additional land conserved that has resource value or additional restrictions that have equivalent value.
- c) Treasury regulations set forth the "private benefit test" and reflects the legal requirement that NCLC be "primarily engaged in activities which accomplish one or more of the exempt purposes specified in section 501(c)(3)" - that it be operated exclusively for charitable purposes and not confer benefit on private parties.
- d) This determination may need to be confirmed by an opinion from a professional appraiser. The appraisal must be paid for by the requesting landowner.

4) Requesting an Approval.

- a) Any landowner seeking an approval shall write or call staff at NCLC stating what is being sought and the specific reasons for it.

5) Staff Costs.

- a) The landowner shall pay all extraordinary staff costs pertaining to reviewing an approval request. We do not charge for anticipated approvals where there is a reserved right in the conservation easement unless there are extraordinary costs created by the landowner.

6) Stewardship Endowment.

- a) Usually, there is no additional endowment requested for approvals.

Appendix 65: Conservation Easement Amendment Policy

1) Policy Statement

- a) North Coast Land Conservancy acquires and holds conservation easement rights in property in perpetuity to preserve and protect the conservation values of the land. Such conservation values may include scenic, agricultural, recreational, open-space, and wildlife resources, as outlined in the Internal Revenue Service list of public benefits, and other conservation values that are specifically identified in the conservation easement document.
- b) North Coast Land Conservancy acquires conservation easements through voluntary agreements with landowners, including donations, bargain purchases, full value purchases, and assignments. The confidence of landowners and of the general public will be enhanced if North Coast Land Conservancy amends its conservation easements only when those amendments comply with federal tax law and the laws governing charitable organizations. Amendments that confer private inurement or impermissible private benefit, for example, may result in penalties and fines levied by the Internal Revenue Service on both North Coast Land Conservancy and on others who engage in improper amendments.
- c) For these reasons and others, North Coast Land Conservancy generally holds and enforces its conservation easements as originally written. Amendments of conservation easements will not be granted under circumstances described in Section II of this Policy.
- d) Notwithstanding North Coast Land Conservancy's general policy of holding and enforcing conservation easements as originally written, North Coast Land Conservancy recognizes that amendments of conservation easements are sometimes necessary or warranted to clarify the interests and goals of the parties to easements or to better protect conservation values in perpetuity. In such circumstances, conservation easement amendments will be approved only in accordance with the circumstances set forth in this policy. Conservation easement amendments may also be approved by North Coast Land Conservancy if an easement is threatened, in whole or in part, with condemnation under eminent domain laws.
- e) North Coast Land Conservancy's policy is that a party who requests a conservation easement amendment or modification shall pay all of North Coast Land Conservancy's costs, including staff time, consulting fees, costs of appraisal, attorney's fees, and costs of implementation, that are associated with review of the amendment or modification request, whether or not the amendment or modification is granted. The party requesting the amendment will be asked for a deposit made to North Coast Land Conservancy in the amount estimated to cover the above costs. At North Coast Land Conservancy's sole discretion, North Coast Land Conservancy may waive the foregoing requirements, in whole or in part.
- f) North Coast Land Conservancy's policy is that every easement amendment request is unique, and therefore shall be considered on a case-by-case basis.

The grant of an easement amendment request to one landowner shall not be considered a precedent resulting in a right of any landowner to request and receive approval for a similar amendment.

2) Circumstances under Which North Coast Land Conservancy Will Refuse to Amend Conservation Easements

- a) Amendments of conservation easements will not be granted if such amendments:**
 - i) Jeopardize North Coast Land Conservancy's tax-exempt status or North Coast Land Conservancy's status as an organization that is qualified to hold perpetual land use restrictions under state or federal law;**
 - ii) Will cause the easement to fall out of compliance with applicable federal, state or local laws, regulations or ordinances;**
 - iii) Are not consistent with express and specific duties or obligations to the public that are identified in the conservation easement itself or that arise by operation of law;**
 - iv) Are not consistent with express and specific rights of third parties who hold interests in the conservation easement by virtue of the conservation easement instrument itself; funding agreements, by operation of law, or as mandated by federal, state or local laws, regulations or ordinances;**
 - v) Do not comply with North Coast Land Conservancy's mission or other organizational policies, including its conflict-of-interest policies;**
 - vi) Confer prohibited private benefit or private inurement; and**
 - vii) Fail to provide a positive, or not less than neutral, conservation outcome.**
- b) The foregoing list is not exclusive and North Coast Land Conservancy reserves the right to refuse amendment requests, in its discretion, in favor of holding and enforcing the terms of the original conservation easement as originally recorded.**

3) Conditions under Which Amendment Requests May Be Considered

North Coast Land Conservancy will consider amending conservation easements in the following circumstances; however, North Coast Land Conservancy shall have unlimited discretion to grant or to deny each amendment request and shall evaluate each request on a case-by-case basis.

a) Prior Agreement.

Conservation easements may be amended if their terms anticipate that they may be amended in specific ways under specific circumstances. Such terms must be set forth in the conservation easement document. Examples of acceptable amendments pursuant to prior agreement in the terms of conservation easements include, but are not limited to, amendments to:

- i) *Revise and replace map exhibits to document in the public record a landowner's exercise of reserved development rights;***
- ii) *To substitute and incorporate resource management plans that the easement recognizes may be periodically updated; or***

iii) *To relocate building envelopes or to reconfigure transferable lots after a landowner receives the North Coast Land Conservancy's prior approval, as allowed by specific agreement in the conservation easement.*

b) Correction of Errors and Ambiguities.

Conservation easements may be amended to correct errors or oversights made at the time the conservation easements were executed and recorded. Such errors or oversights may include, but shall not be limited to, correction of legal descriptions, addition of standard language that was unintentionally omitted, and clarification of ambiguities.

i) To the extent feasible, amendments authorized to clarify conservation easement ambiguities shall be supported by written statements, affidavits, or agreements between North Coast Land Conservancy and the conservation easement grantor, or other written evidence, that the purpose of the amendment is to implement the parties' original intentions when North Coast Land Conservancy first acquired the conservation easement from the grantor.

ii) If such written evidence is not available, amendments to clarify ambiguities may be approved if North Coast Land Conservancy receives an opinion from its legal counsel that without such an amendment, North Coast Land Conservancy faces a risk that the ambiguous terms will render the conservation easement unenforceable, in whole or in part, thereby threatening the North Coast Land Conservancy's ability to protect the Conservation Values for public benefit.

iii) North Coast Land Conservancy may also authorize amendments to resolve a good faith dispute over the meaning of easement terms, provided that no such amendments may compromise or diminish protection of the conservation values.

c) Amendments Consistent with Conservation Purpose or that Enhance Conservation Values.

North Coast Land Conservancy may authorize amendments to a conservation easement provided that the amendments are consistent with the original land conservation intentions of North Coast Land Conservancy and the grantor as articulated in the statements of purpose in the easements, and further provided that the amendments enhance, or have no adverse effect on, the conservation purposes of the easement. Amendment requests will not be granted under any circumstances if North Coast Land Conservancy determines, in its sole discretion that an amendment would affect the conservation easement's perpetual duration or would afford less protection to the Conservation Values protected by the original conservation easement. Examples of acceptable amendments that are consistent with, or enhance, conservation values include amendments to:

i) *Relinquish residential developments rights that were reserved to landowners in the original conservation easement;*

ii) *Add new conservation purposes to easements that enhance public benefits;*
or

iii) *Include more lands under the terms of the original conservation easement.*

d) Administrative Amendments.

North Coast Land Conservancy may authorize amendments when the original terms of the conservation easement prove impossible to meet. North Coast Land Conservancy may also amend conservation easements to update language and thereby to bring the easement into conformance with current conservation easement drafting standards.

i) *For example, North Coast Land Conservancy may approve a change in a designated development area to a more appropriate site if engineering constraints make it impossible to locate structures within the designated development area.*

4) Procedures for Review of Amendment Requests

With respect to all amendment requests except those that are acceptable pursuant to prior agreement (addressed in #9 below):

- a) If a party seeks an amendment to a conservation easement, that party must present to North Coast Land Conservancy a request in writing, stating the change in conservation easement terms sought and the specific reasons why the change may be needed or warranted. The request shall be accompanied by appropriate maps and other documentation required by North Coast Land Conservancy to properly evaluate the request.
- b) If North Coast Land Conservancy receives such a request, North Coast Land Conservancy will hold an initial consultation meeting with the party who requests the amendment. During this initial consultation meeting, costs to review and process the request and payment arrangements will be discussed and agreed upon. A cost agreement will be developed and signed before proceeding and a deposit for estimated costs will be requested.
- c) North Coast Land Conservancy staff shall review all requests and, where appropriate, a representative of North Coast Land Conservancy will conduct site visits.
- d) Evaluation of requests shall include consultation with third parties, when appropriate, including:
 - i) Reasonable efforts to discuss the proposed amendment with the principal parties to the original transaction, including the landowner who granted the restrictions;
 - ii) Funders, if any, of the original easement;
 - iii) Public agencies, if necessary, under funding agreements, co-holding or other arrangements, or pursuant to Section 76-6-206, M.C.A.; and
 - iv) Additional third parties, public or private, whose opinions or expertise North Coast Land Conservancy determines may be helpful to its evaluation of the amendment request.
- e) North Coast Land Conservancy shall have no obligation to confer with third parties who do not have specific rights embedded in the conservation easement (e.g., funding partners, third-party enforcement right holders, named back-up grantees, etc.), and, if North Coast Land Conservancy does consult third parties, any third-party opinions about the propriety of granting or denying an amendment request shall be advisory only. North Coast Land Conservancy retains exclusive authority to grant or deny amendment requests, within the

constraints of funding requirements, the terms of the original conservation easement, and applicable laws, ordinances and regulations.

- f) After North Coast Land Conservancy staff compiles information and fully reviews and evaluates the request for amendment according to this Policy, staff shall make a recommendation to the Conservation Committee. If the Committee finds that the amendment is legally permissible, consistent with the terms of this policy, and clearly warranted by the circumstances, the Committee will forward the request and the Committee's recommendation to the Board at its next regularly scheduled meeting. Alternatively, the Committee may make a determination that the proposed amendment is not appropriate and will forward their recommendation to the Board for their consideration and final decision.
- g) The Board may approve, reject, or approve with modifications the request. Approval shall require a 2/3 majority vote of the full Board.
- h) For all amendments that are approved by the Board, the staff will perform all due diligence steps (title investigation, baseline updates, etc.) as needed to ensure the soundness of the amended easement.
- i) All easement amendments that are approved by the Board must be made in writing, signed by both parties, and must be recorded in the land title records of the local jurisdiction in which the affected property is located.
- j) Amendments to conservation easements that were anticipated in the original conservation easement were approved by the Board when the original conservation easement was accepted. North Coast Land Conservancy Staff shall be authorized to pursue such amendments to conservation easements, provided that the Board shall review such amendments to verify that they have been completed in accordance with the provisions of the original conservation easement and in accordance with the other provisions of this Policy.

5) Policy Review

This amendment policy is to be reviewed and revised, as needed, by the Conservation Committee at least every three years.

Amended by the Board of Directors: May 8th, 2015.

Thomas S. Horning

Board Secretary

Appendix 66: Funding Land Stewardship

- 1) NCLC determines the immediate and long-term financial and management implications of each land transaction and secures the dedicated and/or operating funds needed to manage the property, including funds for liability insurance, maintenance, improvements, monitoring, enforcement, and other costs. If funds are not secured at or before the completion of the transaction, the North Coast Land Conservancy has a plan to secure these funds and has a policy committing the funds to this purpose. (See Practice 6G)
- 2) Before a transaction, the Trust determines the amount of funds it will need to properly care for the land over time. These funds then need to be secured or NCLC must ensure that we have a steady source of operating income to cover these costs. If we do not have adequate funds for the stewardship of conservation lands, a fundraising strategy needs to be established for this purpose and a board policy put in place committing funds for this purpose.
- 3) In some cases, the board may wish to waive the stewardship fee for small parcels that are contiguous to existing NCLC preserves or for parcels that would not increase NCLC's overall stewardship burden as determined by the Board.
- 4) Funds for NCLC Preserves:
 - a) Dedicated funds received for properties purchased by NCLC will be held in bank accounts or invested in brokerage accounts. The Land Trust Alliance recommends that a minimum of \$5,000 per property be collected for stewardship.
 - b) To assure this minimum standard is met, NCLC intends to hold \$5,000 per wholly owned preserve in one or more interest bearing bank accounts, not to exceed \$250,000 per bank so as to be covered by Federal Depository Insurance.
 - c) Amounts held in dedicated funds for wholly owned preserves in excess of \$5,000 per property may be invested in a brokerage account with a conservative to medium risk portfolio. Investment income received on all such funds will be used for stewardship endeavors.
- 5) Standard Calculation:
 - a) NCLC bases its stewardship calculation on the property's value, acreage and level of management required. NCLC categorizes properties into three management levels: protection, passive or active management (See Appendix 68: Management Plan Template.) and assigns a percentage of the property's value to each.

- b) If a property is categorized as a protection property the current calculation requires 15% of the property's value be dedicated to management, and increases by 5% for each subsequent category, with a maximum of 25%. The percentages for the calculation are derived from recommendations from the Land Trust Alliance standards and practices, which say a land trust should strive to obtain between 15-25% of the property's value towards stewardship.
- 6) Minimum Calculation:
- a) A minimum stewardship calculation is meant to ensure the land trust can cover its costs, no matter the property size, for yearly site visits and property reports. The minimum calculation may be applied when the standard calculation does not generate enough money to cover NCLC's management requirements for a property.
 - b) For the Standard Stewardship Calculation and the Minimum Stewardship Calculation please see [Appendix 31: Fee Land Calculation Policy](#).

Amended by the Board of Directors on May 8, 2015.

Thomas S. Horning
Board Secretary

Appendix 67: Stewardship Policy

1) Management Philosophy

- a) The management of NCLC's conservation lands will be guided by two principles: what is ecologically appropriate and what is feasible given the human and financial resources available. Management implies an explicit plan to maintain or move toward a particular desired ecosystem that will serve to promote regional biodiversity.

2) Management Plans

- a) At the time of acquisition and periodically thereafter, each conservation land will be inventoried and assessed as to its most appropriate use or value and then managed accordingly. The inventory will identify the land's natural

communities and natural features, noting in particular uncommon species that NCLC wishes to protect. Management plans will vary, but all will fall under one of the following categories:

- i) Ecosystem Protection by acquisition or easement,
 - ii) Ecosystem Protection by Passive Ecological Enhancement, or
 - iii) Ecosystem Protection by Active Habitat Development.
- b) The categorization of conservation lands can change over time. It is intended that lands in Category 3: Active Habitat Development, transition to Passive Ecological Enhancement and eventually to simply Ecosystem Protection.
- c) Whenever possible, NCLC's management practices are non-intrusive and mimic natural processes that have been suspended or altered by human activity. Management plans will be reviewed periodically and revised as needed, based on changed conditions on the conservation land or in the surrounding environment. All lands will be actively monitored to prevent misuse, to observe the natural succession, and to evaluate our active management efforts.

3) Management Practices

- a) One cannot specify all practices that might be appropriate in the future. In lieu of such a comprehensive statement, the following active management practices may be used in the future to promote diversity, stability, and beauty:
- i) Removing exotics by hand pulling small plants and cutting or chemically treating shrubs and trees in some circumstances.
 - ii) Controlled burning to maintain certain vegetation types, such as prairie plantings to augment (as appropriate) species that may appear naturally in a particular habitat.
 - iii) Allowing hunting as a management tool in extraordinary circumstances to control destructive wildlife.
 - iv) Establishing and maintaining trails and interpretive signs for public.
 - v) Monitoring indices of habitat quality, e.g., water quality and species diversity.
 - vi) Preparing and periodically updating species lists and descriptive brochures for conservation lands.

4) Public Use of NCLC's Conservation Lands

- a) The Land Steward recommends to the Stewardship Committee and then Board of Directors the level of public use of each land, taking into account the donor's wishes.
- b) Some lands will not be open to the public because of access difficulties, rare and endangered species, or fragile communities. At other preserves, public use will be encouraged as long as such usage does not adversely affect the integrity of the ecological system.
- c) In general, there are some public uses that will not be allowed on any preserve:
- i) recreational motorized vehicles,
 - ii) unrestricted camping/campfires,
 - iii) dumping,

iv) collecting of anything except with specific permission by NCLC.

5) Signs

a) Boundary signs: Each NCLC property will have its boundary marked with small NCLC signs. This activity is a high priority because encroachment from adjoining private property owners and misuse of any natural communities, features, or species is more likely to occur if boundaries are not located and marked. On those lands where NCLC wishes to encourage public use, the Trust will create interpretive signs as funds allow.

6) Donors and Stakeholders

a) Donors' wishes as regards management of a preserve will be considered and incorporated into the management plan as fully as possible without compromising NCLC's basic objectives. The Stewardship Committee will inform donors and other stakeholders (e.g., members, neighbors, local officials) about projects on the preserve and encourage their participation in them.

Appendix 68: Management Plan Template

1) Stewardship Framework

a) ECOSYSTEM PROTECTION by acquisition, easement, etc. -

i) Protection is a stewardship strategy involving securing and connecting ecosystems, and implementing actions necessary to maintain natural functions within these systems over the long term.

ii) Protection can also be a management tool, providing a potential natural condition reference system to serve as a guide during the planning of enhancement activities on nearby degraded systems.

b) ECOSYSTEM PROTECTION by PASSIVE Ecological Enhancement -

i) Passive ecological enhancement is a stewardship strategy that involves halting any activities contributing to degradation of a system (i.e.: grazing, invasive species, etc.). Systems are often capable of rapid recovery once perturbations are removed.

ii) Allowing the time necessary for natural processes to cycle through a sequence of ecological succession is a tool that would show land stewards how much recovery the system is capable of on its own, often making costly artificial plantings unnecessary.

c) ECOSYSTEM PROTECTION by ACTIVE Habitat Development -

i) After implementing passive enhancement, if a site or system still remains in a state that would not occur naturally, active manipulations may be necessary.

- ii) Using preserved and intact systems as a guide, active habitat development may include on-the-ground actions such as major plantings of native species, adding structures (culverts, large wood, etc.), and species reintroduction (keystone species, etc.).

2) Habitat Protection and Enhancement Plan

a) Ecosystem Protection by Acquisition

i) Land Acquisition

- (1) Obtain fee title, secure a conservation easement, or establish a landowner conservation agreement on the land

ii) Determine Areas of High Ecological Integrity and/or connectivity

- (1) Complete a natural resource inventory to determine sites that exist in a high functioning ecological state worthy of protection

iii) Secure buffers to protected sites

- (1) Implement passive or active habitat enhancement strategies around the edges of protected system or site

- (2) Explore options for a conservation strategy with surrounding neighbors

iv) Monitor Preserved Areas

- (1) Repeat natural resource inventory with in protected areas to track any changes over time

- (2) Establish Permanent Photo Points

b) Ecosystem Protection by Passive Ecological Enhancement

i) Remove perturbations

- (1) Remove unnatural or excessive site alteration and/or disturbance

- (a) *Ex: Remove Garbage;*

- (b) *Exclude cattle from stream and wetland corridors;*

- (c) *Limit or prohibit vehicle use;*

- (d) *Limit or prohibit natural resource extraction*

- (2) Remove invasive species

- (a) *Ex: Hand pulling*

- (b) *Mowing*

- (c) *Grazing*

- (d) *Fire*

ii) Allow System or Site Natural Recovery Time

- (1) After perturbations are removed, allow the site or system to rest/heal while natural recovery processes take place.

- (a) *Ex: Use this time to understand the dynamics of a site (ex: hydrology, microtopography). Monitor natural plant and animal re-establishment.*

- (2) Identify sites that have rested/healed but are in need of active habitat development in order to abate the threat of invasive species establishment.

- (a) *Ex: Inventory stream corridors for sites where hydrology has repaired the banks and exposed soil.*

- (b) *Inventory areas that had historically been over extracted leaving patches devoid of native plant and seed source*
- c) Ecosystem Protection by Active Habitat Development
 - i) Use the Natural Resource inventory in the protected sites as a reference for appropriate community structure in habitat development plans
 - ii) Create a habitat development plan
 - (1) **Active Habitat Development Plan Framework**
 - (a) Re-vegetate healed sites under invasive threat:
 - (i) Install native plantings using the protected/reference sites as a guide for species composition.
 - (b) System Reconnection:
 - (i) In sites that have been identified as having some existing natural structure with connectivity to the greater system, install native plantings to enhance and promote ecosystem connectivity.
 - (c) Protected Edge Enhancement:
 - (i) In order to promote a healthy buffer for the protected areas, implement active habitat development along degraded edges of the protected sites. This will effectively grow these systems over time and continue to protect the core.
 - (d) “Island” Enhancement Plantings:
 - (i) To begin breaking up non-native monocultures, or expanses of degraded communities with little connectivity, install native plant mixes exhibiting community type structure observed in the natural resource inventory of protected/reference sites. This will create a mosaic of island habitats for species to travel through, and increase biodiversity and system connectivity. Monitor success through surveys, photo points, etc.

Appendix 69: Site Steward Monitoring Manual

Updated/Revised July 2015

1) PURPOSE:

This monitoring manual is to be used as a tool and guide for volunteers and staff conducting property sites visits on NCLC-owned lands. It provides background information on why we monitor our lands, as well as protocol information to keep site monitoring visits consistent across stewards. It is intended to be a fluid document that is updated on an annual basis and shared with all volunteers and

staff in our site steward program.

2) BACKGROUND:

a) NCLC's conserved lands

i) There are many different strategies that we use to help conserve land on Oregon's North Coast. Land can be either purchased or donated through conservation easements (where the property owner retains ownership of the land, but either donates or sells the development rights for the land to NCLC) or fee title ownership (down-right ownership). NCLC also contributes to land conservation in other ways than through land ownership, such as facilitation and fee title transfer which both result in some other public or non-profit entity ending up with the ownership and management of the property.

ii) Through fee title ownership and conservation easements, the North Coast Land Conservancy has conserved ~3,500 that are divided into 60 separate properties that we call Habitat Reserves (and both of those numbers are growing). Once we own a property, we apply our stewardship framework strategy to help us determine how to best manage the piece of land. See Appendix 68: Management Plan Template. Sometimes this means that we will actively manage the land by planting trees and shrubs along a disturbed riparian corridor; sometimes this means that we will passively manage the land by working diligently to remove invasive English ivy from the big Sitka spruce in a forested wetland; and most often it means we will simply protect it by owning it and ensuring that that land will remain undeveloped habitat into perpetuity. Regardless of the stewardship strategy, it is critical that we monitor all of our land to ensure that the disturbed habitat is healing in a positive direction and that our protected habitat is remaining free from disturbances.

b) What are Site Stewards and why do we monitor our lands?

i) ***A steward is a caretaker of the land. When we say "site steward" we are referring to all of our staff and volunteers who are taking care of and monitoring NCLC lands.***

ii) Our conservation easements are monitored on an annual basis by staff site stewards that are sometimes assisted by volunteers. These lands each have a landowner that is working with us to ensure that all of the conservation values remain intact. These landowners can also be thought of as site stewards since they are carefully looking after their lands and reporting any changes back to NCLC. NCLC staff visit each easement property once a year, to connect with the landowners and document the status of the property following our easement monitoring protocol (which is different from the site monitoring protocol in this manual that focuses on our fee-owned properties).

iii) Since NCLC is the landowner of our fee-owned properties, we monitor these lands a little differently. We still have staff visiting our properties on an

annual basis, but we also have volunteer site stewards who are assigned to specific properties that help us make our site visits more frequent. Without the help of our dedicated volunteer site stewards, we would not be able to visit the properties at the frequency that they deserve. Our volunteers visit the properties 3-4 times per year, observing the plants and wildlife, visiting and documenting photo points (for active management habitat reserves), and filling out a monitoring report. Having this additional attention on the land allows us to track seasonal changes, have a greater presence on the land (which discourages potential misuse by trespassers such as littering or dumping), and identify new weeds and threats quickly so that we can act quickly to remedy them.

- iv) Our volunteer site stewards have quite varied backgrounds. Some are retired and some busy with careers; some have a very sound understanding of coastal ecology and some are using their volunteer position as an excuse to learn more about the flora and fauna of our landscape. All of our volunteers are passionate about the outdoors and are dedicated to helping us achieve NCLC's mission of conserving and protecting land in perpetuity for its ecological and cultural values. Since it does require quite a bit of staff time to get volunteers trained, we ask that our site stewards make a long-term commitment to their monitoring roles.

3) MONITORING PROTOCOL

a) *Site visit supply check list*

- i) compass (or some smartphones have a compass function)
- ii) digital camera (or phone with camera)
- iii) photo prints from the last monitoring visit (for active management properties)
- iv) monitoring report or notes from the last visit
- v) photo point map and other property maps if needed
- vi) notebook or monitoring report template to write notes on
- vii) pencils
- viii) clothes/shoes appropriate for your site and the weather
- ix) emergency preparedness supplies such as cell phone, first aid, and extra water
- x) your NCLC hat (optional, but makes you look official!)
- xi) clip board (optional)
- xii) binoculars (optional)
- xiii) plant and wildlife field guides (optional)

b) *Photo points*

- i) Photo points are a tool we use to monitor a property's condition over time. Properties that are actively managed—Circle Creek, Thompson Creek-Stanley Marsh, Clear Lake, and some properties in the Neacoxie Wildlife Corridor—may show significant changes from year to year due to restoration activities taking place on the land. For each of these properties, staff or

- volunteers will conduct photo monitoring on an annual basis. Starting in 2015, we are no longer conducting annual photo point monitoring on our passively managed properties and our protection properties (though we still take photos of unique observations at these properties during regular monitoring visits). Properties that are managed as passive or protection properties have photo points established as baseline conditions upon acquisition, and are only updated by staff as significant changes take place on the land.
- ii) Each property's unique set of photo points have been established to show key areas or features of the property. All photo points need to be reasonably accessible, have a recognizable feature/ be well described in order to find it again and again, have a vantage point that is of the NCLC property or the NCLC property boundary, and they need to be representative of the property and/or show a significant feature on the property. That significant feature may be a really cool old tree or may be a sign of encroachment that needs to be monitored to ensure that it does not progress. In general, larger properties have more photo points and a smaller property may only have a single photo point if that point can be representative of the entire property.
 - iii) Each property has a photo datasheet and a series of photo prints. It is important to have this information both to help you locate the photo points out in the field and to have a way to compare what you are seeing on site with what was reported during the last visit. An example of a photo datasheet is attached as Attachment 3. Each photo datasheet lists the photo point number in the left column, the aspect in the column next over, a description of how to get to the photo point including GPS coordinates in the widest column, then a description of what is in the field of view for each individual photo, and finally the name that the photo files are saved as. A typical photo point will contain 4 photos taken from a single point in the cardinal directions (N, S, E, W). This is not always the case, however, because the photo points were established to show key features of the properties (such as the tree) or show a good representation of the land (such as a landscape view of a lake), and these features will not always be located in cardinal directions. There may also be fewer photos taken at a photo point if one direction looks outside of the property, has an obstructed view, or is a duplicate of an image already conveyed.
 - iv) The photo prints are simply a word document that provides an easy way to look at all of the images taken at each photo point. Usually, each photo point has its own page in the photo print document with up to 4 photos on each page. Each photo is labeled with the photo point number, the date, and the aspect (compass direction) to reiterate the information listed in the photo data sheet.
 - v) An additional useful tool for photo monitoring is a photo point map. A photo point map shows an aerial image with an outline of the property boundary and labeled points that represent the photo points. This helps with general

orientation of the property and can steer you pretty close to each point, before you need to turn to the photo point datasheet for specific directions.

vi) During a photo point monitoring visit, photo points are intended to guide your time on the land but not dominate it. You navigate to each photo point and then you use your photo datasheet and photo prints to determine how many photos are taken at that point, what direction they are taken, and if there are any changes observed since the last photo taken at that photo point. If you observe a change, then you take a new photo which you will use to update the photo prints page when you are filling out your report. You will also describe the changes you observe in the text of the report.

c) *Invasive species*

- i) Keeping an eye out for new invaders and rapidly growing populations of invaders is an important part of site steward monitoring. In the monitoring report, each property contains a list of invasive plants that were observed during the last site visit with notes about the population size and location. Always bring a copy of the last site visit report with you out in the field so that you can compare your observations to the notes from the last visit. For example: a property contains English ivy, and the last monitoring report describes the ivy as ground ivy on the north boundary of the property. In your current visit, you observe that there is ivy growing up the trees along the north boundary and now there is ground ivy starting to come up on the west boundary. These are important observations to record! It is possible that the last observer missed some of the ivy present, but it is more like that the population is spreading. This is very important information to help us determine our stewardship objectives each year and to guide us in our management plan updates. It is also important to note new observed weeds that were not noted in past monitoring visits and decreasing populations or evidence of recently treated invasive populations.
- ii) There are many references out there that help us to identify invasive plant and animal species in our area:
<http://appliedeco.org/invasive-species-resources/weed-guides>
<http://oregoninvasiveshotline.org/pages/learn>
http://www.fs.fed.us/pnw/pubs/pnw_gtr817.pdf
- iii) NCLC has also created a guide to common weeds on our properties. We have laminated a couple of copies that can be borrowed to assist you with your site monitoring.

d) *Ecological sightings*

Summarizing your ecological sightings is just as important as capturing any negative impacts to the land. Sometimes an ecological sighting might just be a rare or beautiful wildflower that is in bloom or a large snag with a nesting cavity. If your sighting is stationary (usually plant life) then you can both describe what you are seeing in your report and take a photograph that you will include at the end of the report and label as “[Property Name] Photo # [Photo Description]”. An example of a stationary sighting that you might observe is

beaver activity, such as a new dam or evidence of munching. Sometimes you will be lucky enough to spot an interesting bird fly overhead or an unusual mammal scamper by—These moving observations usually cannot be captured in a photograph and should be noted and described in writing under the “ecological sightings” section of the monitoring report.

e) *Neighbors*

- i) As stewards for NCLC, we represent the organization when we monitor our lands. Please act professionally and be courteous of the neighbors. Here are some easy guidelines to make sure we all act like good neighbors:
 - (1) Wear your NCLC hat, so you look official
 - (2) Leave a sign on your dashboard saying “Volunteering for NCLC” when you are parked on the side of the road for site visits.
 - (3) If you see a neighbor, say hello. Tell them what you are doing and why. And be friendly!
 - (4) Don’t assume anything. Some neighbors are NCLC supporters, some might not know what NCLC is, and some might be critical of our conservation goals.
 - (5) Don’t walk across neighbors’ yards or land to access NCLC property unless you have permission.
 - (6) If you have standing permission to park at a neighbor’s house or to use their land to access NCLC land, give them a courtesy call/message to let them know when you plan to conduct your site visit.
 - (7) Carry a few NCLC business cards with you in case a neighbor wants more information. They can always call us directly or visit our website.
 - (8) Same goes for an unpleasant neighborly interaction. You can always give them a business card and tell them to contact the office directly with their concerns or complaints.
 - (9) If you have a positive or negative interaction with a neighbor, write about it in you monitoring report! Include name, contact information, and address if it is provided. It is important for us to keep records of what we are communicating to our neighbors. It is also nice to be able to follow up if appropriate.

f) *Safety*

- i) NCLC’s properties range from small <1-acre properties located in town to 100+ acre properties in more remote areas. Wherever you are conducting your site visit or working outside, it is important to be prepared, especially when working alone. Always carry rain gear and extra layers (even in the summer...all of our properties are on the Oregon coast, after all). Bring at least one water bottle, and more if you are planning to spend the whole day on the site or if the temperatures are warm. If you have a cell phone, bring it with you (and keep it in a waterproof case or a Ziplock bag). A small first aid kit and a flash light are always good to have on hand, especially if your site is more remote or you are going out close to dark. It is also important to let someone know where it is you are going and when you plan to be back. Staff should always let another staff know what their plans are for

site monitoring. Volunteers should either let a family/friend or a staff member know what their plans are for site monitoring.

4) DOCUMENTATION:

You have already conducted the site visit (the fun part), and now comes the paperwork! Don't worry; we have made this step as simple as possible to fill out.

a) *Site Activity Log (Every time you visit a property!)*

i) We are using an online form to track site visits to all properties. This form is called the "Site Activity Log," and can be accessed by any computer or phone with internet access. The website for the form is:

https://docs.google.com/forms/d/1djeBFtbEKV739_jkot0H_qEBpTvaHTc1pMAMdtFlf-E/viewform?c=0&w=1

ii) The Site Activity Log is intended to be very simple to fill out, and should not take more than 5 minutes to complete. It can be completed onsite from a smartphone or back at home/office from a computer. The Site Activity Log should be filled out every time a property is visited by staff or volunteers. All of the data that gets entered into the form is automatically sent to an excel spreadsheet. At the end of the calendar year, we will sort the spreadsheet by property, and put an annual site activity log into each property folder. The intent of the Site Activity Log is to allow for more frequent site visits by cutting down the report writing, while continuing to document observations and management activities that take place during site visits.

b) *Severe Negative Impact Form (as needed)*

i) The Severe Negative Impact Form, or SNIF Report, is filled out whenever a new observation of a severe negative impact on any property is observed. It is a fillable PDF document that can be downloaded from Site Activity Log website. The report should describe in detail the severe negative impact, and then should be sent immediately to the stewardship director.



Site stewards:

If you observe something that should be brought to the staff's immediate attention, please complete this form and email or deliver it to Melissa (melissa@nclt.org). Please also attach photos documenting your observation.

Severe Negative Impact Form

Property name:

Date of observation:

Observer:

Type of observation:

- | | | |
|--|---|--|
| <input type="checkbox"/> Encroachment | <input type="checkbox"/> Dumping/vandalism | <input type="checkbox"/> Homeless activity |
| <input type="checkbox"/> New FDRR invasive species | <input type="checkbox"/> Cut trees/ other vegetation | <input type="checkbox"/> Hunting |
| <input type="checkbox"/> Safety concern | <input type="checkbox"/> Other detrimental activity/impact (occurring or potential) | |

Description of observation:

Location of observation:

(please either collect coordinates with your phone/GPS, describe in words, or indicate on a map and attach)

For office use only

Reviewed by:

Date:



Site stewards:
If you observe something that should be brought to the staff's immediate attention, please complete this form and email or deliver it to Melissa (melissar@nclctrust.org). Please also attach photos documenting your observation.

Severe Negative Impact Form

Property name:

Date of observation:

Observer:

Type of observation:

- | | | |
|--|---|--|
| <input type="checkbox"/> Encroachment | <input type="checkbox"/> Dumping/vandalism | <input type="checkbox"/> Homeless activity |
| <input type="checkbox"/> New EDRR invasive species | <input type="checkbox"/> Cut trees/ other vegetation | <input type="checkbox"/> Hunting |
| <input type="checkbox"/> Safety concern | <input type="checkbox"/> Other detrimental activity/impact (occurring or potential) | |

Description of observation:

Location of observation:

(please either collect coordinates with your phone/GPS, describe in words, or indicate on a map and attach)

<i>For office use only</i> Reviewed by: _____ Date: _____
--

- c) *Monitoring report (One/year/property)*
 - i) For one site visit each calendar year, staff or volunteers will fill out an annual report for each property. The report template is a fillable pdf document. After filling out all of the report sections, the file must be saved and given a unique name [name of property and date]. The pdf report is emailed to the stewardship director, who reviews and signs each report. A hard copy and an electronic copy are stored in our property files.

- d) *Photo datasheet and photo prints (One/year/actively managed properties only)*
 - i) For the photo datasheet, use the existing datasheet for your property as the template. The format for these datasheets is slightly different depending on how many photo points are at a site, how complicated the directions are to find the points, and when the photo points were established. For now, consistency with the photo datasheets between sites is not as important as making sure that all the information we need to locate a photo point is present. This form should not change unless you add or delete photo points (and talk to the stewardship director before adding or deleting any photo point!).
 - ii) The photo prints are the pages that show the actual photos. It is important that each photo is associated with a date, and that the photo print templates are updated for each site.
 - iii) Photo datasheets and photo prints are often thought of as the most time consuming and sometimes frustrating part of filling out a site monitoring report. But it really doesn't have to be. Make sure you take your photos in a known order and label them the day you take them! This is a key step. It is very easy to label your photos the day you took them, and it is very challenging and sometimes impossible to remember the order if you wait too long. Then when you update your photos, you simply: open the old photo print file, right click on the photo to be updated, click "change photo", navigate to your labeled photo for that photo point, and you're done! Doing it in this way avoids the annoying step of reformatting photos.

Appendix 70: Fee Land Monitoring Report

NORTH COAST LAND CONSERVANCY
_____ Annual Site Visit Monitoring Report

Site name:

Date of this monitoring visit:

Hours spent on site:

Weather conditions:

Date of last monitoring visit:

Monitor(s):

Name:

Position:

Phone:

E-mail address:

List any others present during monitoring:

SITE INSPECTION:

Describe where you visited on the property. Describe your route and/or include a route map.

Describe stewardship activities conducted during this visit (e.g. treated invasives, posted signs, walked boundaries, conducted photo monitoring):

Briefly describe any stewardship activities that you or others conducted since the last annual monitoring report (e.g. work parties, On the Land events, weed treatment, active management):

Have you observed any changes in the site since the last annual monitoring visit?

List the invasive species observed during your visit and note phenology. Describe the status of known populations and size/location of new populations.

Describe any ecological observations (e.g. wildlife, rare plants, snags, etc.):

Describe current land-use activities on adjacent lands that affect this habitat reserve:

**Is there evidence of trespassing, encroachment, or other negative impacts on the site?
If yes, explain:**

Based on this visit, are there any stewardship actions that should take place on the property?

Reviewed By: _____, *Stewardship Director*

Signature and Date: _____