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The Commission awards the accreditation seal to land conservation organizations that meet national standards for excellence, uphold the public trust and ensure that conservation efforts are permanent.

Multiple Corporations and Accreditation

Application information for organizations with related entities

Scope of the Fact Sheet

If your organization has a related entity, such as a supporting organization or an LLC, this fact sheet contains important information about the application for accreditation from your organizations. An organization should understand the application requirements detailed in this fact sheet prior to registering to apply for accreditation.

Introduction

The Land Trust Accreditation Commission takes a scaled approach to its review of land trusts that operate under a multiple corporate structure. The Commission requires information about all of the organizations, but the level of information required varies depending on the nature of the relationship and the role of each organization. The purpose of examining all organizations is to aid in verifying that each accreditation applicant meets the accreditation requirements and to help ensure that the accreditation seal is used only by those organizations to which the Commission awards it.

If an organization operates under a multiple corporate structure, each related entity will be required to provide information at the basic, intermediate or complete level, as determined by the Commission's Executive Committee. Related entities include corporations, supporting organizations, partnerships, LLCs, LLPs, or other affiliated entities, whether for-profit or non-profit. This definition does not generally include co-hold relationships, fiscal sponsorships, or community foundation agreements. However, the Commission reserves the right, at its sole discretion, to determine that such a relationship needs additional investigation in order to determine the applicant's compliance with the indicator practices.

The purpose of this fact sheet is to outline the accreditation process for those applicants who operate with a multiple corporate structure and how the Commission implements its policy titled "Application Requirements for Land Trusts with Multiple Corporate Structures," available online.

Steps in the Process

Step 1: Call early in the process and get a determination

Potential applicants operating under a multiple corporate structure or that are linked to other organizations are strongly urged to contact the Commission as early as possible in the accreditation process, preferably before registration, to provide information about the related entities and seek a determination about the level of information required. Commission staff will gather information about the organization's structure and provide it to the Commission's Executive Committee for a determination about what level of information is required: basic, intermediate, or complete. It may take several weeks for a determination to be made. Some of the questions that the Commission staff may ask include:

- Does the related entity meet all of the accreditation eligibility requirements?
- What is the tax-exempt status of the related entity?
- How many properties/conservation easements does the related entity hold? When was its last acquisition?
- Does the related entity acquire properties or easements for transfer? Generally, to whom are the properties transferred? What is the frequency of such transfers?
- What is the relationship between the applicant and the related entity?

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The Commission's experience has shown that undisclosed related entities such as affiliates, foundations, or other relationships may result in an inaccurate or incomplete picture of the applicant's compliance with the indicator practices. Delayed disclosure can become a complication in the Commission's review process, likely requiring additional and often duplicative application review, associated scheduling difficulties, additional staff and commissioner time, and often delays in the Commission's consideration of the application. As a result, an applicant that does not disclose a related entity relationship could be subject to additional fees or, in appropriate situations, even required withdrawal or denial of the land trust's application.

Step 2: Understand what your determination means

The determination that the Commission's Executive Committee makes will inform you about the level of information the Commission will require for the related entity and about whether the entity may have the ability to display the accreditation seal.

Basic

The basic level of information will generally apply to related entities that do not hold land, do not meet the accreditation eligibility requirements, or are not in the regular business of acquiring and stewarding land. The purpose of reviewing these related entities is to evaluate the compliance of the primary applicant; related entities supplying basic information will not be awarded accreditation and will not be able to display the accreditation seal. Specific application requirements are found in the Commission's Addendum for Multiple Corporations: Basic Level. Project documentation, while not generally supplied at the basic level, may be required at the Commission's sole discretion.

Intermediate

The intermediate level of information will generally apply to related entities that meet the accreditation eligibility requirements and that are supporting organizations or that are a wholly controlled subsidiary of the primary

applicant. Generally, separate corporations with separate governance will not be considered under the intermediate level. Each applicant must comply with each accreditation indicator practice, but evidence of shared compliance may be demonstrated through formal agreements as specified in the Commission's Addendum for Multiple Corporations: Intermediate Level. Accreditation, if awarded, will be awarded jointly and with the provision that the related entities retain substantially the same relationship during the accredited term. The organizations will be listed together in all Commission materials. Each organization will be able to display the accreditation seal. Specific application requirements are found in the Commission's Addendum for Multiple Corporations: Intermediate Level. Project documentation is required, with generally at least two projects evaluated in each category: fee title and conservation easement.

Complete

The complete level of information will generally apply to 1) related entities that are separate (and non-supporting) organizations with substantially the same board as the primary applicant, 2) related entities with a separate board but with only one member, the primary applicant, or 3) other circumstances as determined by the Commission. Each applicant must comply with each accreditation indicator practice, except in limited circumstances where the Commission has determined that shared compliance is acceptable, as specified in the Commission's Addendum for Multiple Corporations: Complete Level. Project documentation is required, with generally the same level of project documentation required of the related entity as would be required of any applicant. If accredited, the organizations will be listed separately in all Commission materials. Each organization will be able to display the accreditation seal.

Step 3: Register the primary organization

When registering, register the primary organization and provide the data relevant to that organization. Only one

\$750 fee is required. Provide information on all related entities where requested on the online registration form. Note that related entities providing information at the intermediate and complete level must comply with registration requirements related to the following:

- Adopting *Land Trust Standards and Practices*.
- Conducting an assessment against the full *Land Trust Standards and Practices* (As outlined in the Pre-application for Multiple Corporations, at the intermediate level, the assessment can be conducted jointly. At the complete level, the assessment of each organization needs to be conducted independently.).
- Completing/adopting all required procedures/policies.

Step 4: Provide required information at pre-application

The intermediate and complete levels require information to be provided about the related entity as part of the pre-application process. No separate pre-application is required for the basic level. The required forms listed below are in addition to the standard pre-application form that should be submitted for the primary organization. Instructions for each are provided on the applicable Pre-application for Multiple Corporations and the *Applicant Handbook*.

Applicable Multiple Corporation Forms

- Pre-application for Multiple Corporations: Intermediate Level
- Pre-application for Multiple Corporations: Complete Level

Step 5a: Provide required information at application

Once the Commission has accepted the pre-applications, the next step for your organization(s) will be to submit the complete application. The Commission has developed an application addendum for each multiple corporation level as listed below. The primary organization fills out the standard application and attachments. The information required at the basic level can be included as a tab in the primary organization's application binder. Information required at the intermediate level and the complete level must be submitted as a separate application binder following the instructions and Master Attachment Checklist

for Multiple Corporations provided in the Addendum for Multiple Corporations.

Applicable Multiple Corporation Forms

- Addendum for Multiple Corporations: Basic Level
- Addendum for Multiple Corporations: Intermediate Level
- Addendum for Multiple Corporations: Complete Level

Step 5b: Pay required fees by application due date

At the time of pre-application acceptance, the Commission will provide information on the total amount of application fees due by the application submittal date. In addition to the standard fees for the primary organization, applications from related entities must each pay a fee as described below.

- Basic Level (for each related entity): \$500
- Intermediate Level (for each related entity): the higher of \$2,500 or a 25% discount on the total fee that would apply to the related entity (see the Commission's fee schedule)
- Complete Level (for each related entity): the higher of \$2,500 or a 10% discount on the total fee that would apply to the related entity (see the Commission's fee schedule)
- A fee of \$1,000, in addition to the fees above, would apply if an applicant fails to disclose a related entity by the time of pre-application.

Step 6: Continue into application review process

Once your applications have been accepted as complete, the applications will proceed through the review process. Congratulate yourselves on all the hard work that you have done to get to this point!

Contact Us

If you have any questions, please contact the Commission:
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