



ATC Policies for Land Trust Alliance Standards

The following five policies pertaining to lands acquired by the Appalachian Trail Conservancy were adopted by the ATC Executive Committee in 2012.

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Appalachian Trail Conservancy Policy on Evaluating and Selecting ATC-Managed Fee and Easement Land Parcels¹

This policy is intended to complement and expand upon the Appalachian Trail Conservancy (ATC) Land Protection Policy, adopted by the ATC Board of Directors in May 2009. ATC's Land Protection Policy, which is hereby incorporated by reference, provides additional guidance on identifying conservation focus areas, property selection and criteria, selection of the best conservation tool, and evaluating partnerships. It does not apply to land that ATC might acquire for other than conservation purposes.

ATC holds fee interests and conservation easements (approximately 5,200 acres by the end of 2011) that supplement the publicly-owned corridor that protects the Appalachian National Scenic Trail. This land is managed in accordance with the ATC's Land Protection Policy, which defines ATC's land protection program mission as follows:

... to enhance the primitive outdoor recreational experience of the Appalachian Trail through the protection of Appalachian Trail lands. These include the Trail itself, its immediate corridor, lands with significant ecological or cultural value, and surrounding viewsheds and soundscapes. Further protection will be provided through promotion of compatible land uses in harmony with the natural, scenic, historic, and cultural values that surrounding lands contribute to the visitor experience.

ATC's Land Protection Policy identifies the Conservancy as "the holder of last resort" for easements and fee interests in land. ATC will seek qualified alternate holders for its easement and fee interests and transfer these interests to them, if ATC believes they can be trusted to carry out ATC's land protection mission and are willing to assume responsibility for proper stewardship or management of the property interests.

ATC's director of conservation is responsible for identifying, evaluating, and selecting potential conservation easements and fee properties and recommending acquisition (or disposal) to the Land Transaction Committee² and Board of Directors. ATC's director of conservation shall also be responsible for determining whether land to be donated or bequeathed to ATC has conservation values, as defined on ATC's Policy on Land Protection. Land which does not meet the standards set by this policy may be disposed following the provisions of ATC's Policy on Contributions, which is hereby incorporated by reference.

Conforming with Federal and State Requirements

ATC will comply with all federal and state requirements, including the specific requirements of any federal or state agency that may ultimately hold title to lands and interests in land acquired by ATC.

Determining Public Benefit of Acquisition Transactions

ATC will analyze and document the public benefit of each transaction as part of the analysis and selection of each parcel being considered for acquisition by ATC. This documentation will become part of the Land Transaction File defined in ATC's Policy on Ensuring Sound Transaction in Conservation Projects.

¹ This policy relates to Land Trust Standard 8.

² The Land Transaction Committee is a committee of ATC's Board of Directors responsible for reviewing all ATC land transactions and ensuring that they are in the Conservancy's best interest and adhere to its policies.

Site Inspection and Documenting Conservation Values

ATC Conservation Department staff will physically inspect and document the physical characteristics and conservation values of each property being considered for acquisition by ATC. This documentation will become part of the Land Transaction File defined in ATC's Policy on Ensuring Sound Transaction in Conservation Projects.

Partnership Documentation

ATC will, if appropriate, agree to co-hold easement properties, provided co-holder responsibilities are addressed in a written agreement signed by all co-holding parties. ATC's Director of Conservation will be responsible for ensuring that a detailed analysis of what costs ATC could incur, including the costs of any enforcement actions that may be required, is developed. This cost analysis will be presented to the Board of Directors along with the co-hold agreement.

Evaluating Risks

ATC will evaluate and document the physical, environmental, financial, and legal risks for each property being considered for acquisition by ATC. This analysis will be provided to the Land Transaction Committee and Board of Directors prior to any final decision to acquire a fee or easement interest in property. ATC's director of conservation will be responsible for ensuring that written procedures are established for carrying out risk assessments.

Public Issues

ATC will be cognizant of and include an analysis of public perceptions associated with acquisition of any specific property.

Appalachian Trail Conservancy Policy on Ensuring Sound Transactions for ATC-Managed Land Acquisition or Disposal³

This policy is intended to complement and expand upon the Appalachian Trail Conservancy (ATC) Land Protection Policy, adopted by the ATC Board of Directors in May 2009, which is hereby incorporated by reference. This policy applies only to (1) land that has been identified for acquisition as an easement or fee holding, or (2) existing easements or fee properties with conservation values, as defined in ATC's Policy on Land Protection, that ATC wishes to dispose of.

ATC's director of conservation is responsible for ensuring that all fee and conservation easements interests accepted by ATC are acquired or conveyed, in instances when ATC conveys property to other parties, through sound legal procedures and that all "due diligence" steps of the acquisition process are followed.

Legal Review and Technical Expertise

For each fee or conservation easement property that ATC proposes to accept, ATC conservation staff will obtain a legal review by an attorney familiar with the relevant areas of law in the state in which the property lies. As necessary, ATC conservation staff also will seek professional advice of tax, real estate, financial, water and mineral rights, and resource specialists, and document such technical advice in writing.

Independent Legal Advice

ATC will advise each landowner in writing that ATC does not offer legal counsel and will encourage each landowner to obtain legal counsel. This communication to the landowner will be kept as part of the Land Transaction File described below.

Environmental Due Diligence for Hazardous Materials

ATC will ensure that all necessary steps are taken to identify and document the presence of hazardous or toxic materials on each property being considered for acquisition or disposal. Said due diligence steps may include, as appropriate, site inspections by ATC staff or qualified contractors, review of CERCLA databases, and Level 1 or 2 Pre-Acquisition Environmental Site Assessments. ATC's director of conservation will ensure that a written procedure is developed that defines the appropriate scope and methodology for conducting hazardous or toxic waste evaluations.

Determining Property Boundaries

ATC will identify and document the boundaries of each property being considered for acquisition, through review of the legal description of the property, site inspection to confirm the location and condition of marked boundaries, and, if necessary, survey of the property.

Fee or Conservation Easement Deeds

ATC will update and maintain a current conservation easement template, and adapt it as necessary for individual properties in specific states. All fee and conservation easement deeds will conform in all

³ This policy relates to Land Trust Alliance Standard 9.

respects to state conservation and real estate law, and will properly identify the significant conservation values, use restrictions, and reserved rights, if any.

Documentation of Purposes and Responsibilities (Including Financial Obligations of Donors or Sellers)

ATC will ensure that any deed of conservation easement or fee interest clearly articulates the roles, rights, and responsibilities of all partners. ATC will clearly document the intended uses of any property that it accepts in the deed, on the IRS Form 8283, and in the Land Transaction File (see Record Keeping below). Said intended uses may include retention of the property in perpetuity, conveyance of the property to public agency, resale of a fee property subject to an easement, or resale. All financial obligations of the transaction, including legal fees, appraisals, surveys, and closing costs, should be borne by the party conveying the fee or easement property to ATC, unless otherwise agreed to in writing.

Unless otherwise agreed to in writing in advance, ATC will require each donor or seller to pay an amount into ATC's stewardship fund commensurate with the long-term cost of monitoring and enforcement (for easement properties) or land management (for fee properties) for the subject property.

Record Keeping

ATC will immediately transfer and hereafter maintain original copies of deeds, baseline documentation reports, legal agreements, appraisals, maps, critical correspondence, and other critical documents essential to the defense of each transaction in a fireproof, flood-proof, secure storage facility. Said records will be copied into a permanent electronic form, and said electronic records will be retained in multiple locations. Another set of documents will be maintained as working documents, which will be transferred as necessary to permanent storage.

A Land Transaction File will be established for each fee land or conservation easement. It will include, at a minimum, the following records, which will be maintained as permanent records of the transaction:

- A summary or checklist of all documents pertaining to the specific transaction;
- A baseline documentation report, which includes conservation values for conservation easements, photographs of key features, aerial photographs, and maps, as appropriate;
- Recorded deed or conservation easement;
- Documentation of understandings, including ATC's communication to the landowner concerning independent legal advice;
- Title report and/or title insurance policy;
- Escrow instructions and closing statement, if applicable;
- Maps;
- Survey report, with maps and legal description;
- Appraisal, if the value of the property interest is greater than \$5,000;
- Board resolutions and reports;
- Real estate tax data, e.g., exemption status or special treatment tax data
- Government reports—such as IRS Form 8283 for acquisitions, or IRS Form 8282 for sales;
- Baseline data, including results of the hazardous materials assessment;
- Updated resource data;
- Monitoring reports;
- Log of communications with owners of land subject to conservation easements; and
- Management plans for fee lands.

The director of conservation will ensure that written procedures are developed defining the requirements for Land Transaction Files for any new conservation easements or fee land ATC acquires. These procedures will meet IRS and applicable state regulations for conservation easements and adhere to Land Trust Alliance Standards. ATC staff will endeavor to bring documentation for all current fee lands and conservation easements up to these requirements as quickly as reasonably possible.

Title Investigation and Subordination

ATC will ensure: (1) that a full title report or title insurance policy is available for each property being considered for acquisition; (2) that all mortgages, liens, and other encumbrances that could result in extinguishment of the easement or fee interest, or have a significant adverse impact to the conservation values of the property, are discharged or properly subordinated; and (3) that the title report or title insurance is reviewed by legal counsel.

Recording

ATC will ensure that fee and easement deeds in which ATC is the Grantee are legally recorded as soon as possible in the appropriate local records office, in accordance with state and local law.

Purchasing Land

ATC will ensure that it obtains a qualified, independent appraisal prior to purchase (or partial purchase, in a bargain sale transaction) of any fee or easement interest in real property estimated at a value of \$5,000 or more.

Transfers of Land, Including Selling Land or Easements⁴

Except in specific circumstances as outlined herein, ATC will only convey or sell land or interests in land to a government agency, or to a land trust, if said land trust accepts, in writing, permanent responsibility for protecting the property's conservation values and is deemed capable of fulfilling said responsibilities.

ATC may convey a fee interest in land that has conservation values to a private party if: (1) the conveyance is not contrary to the expressed wishes of the donor (if the property was conveyed to ATC through a donation or bargain sale); and (2) the conveyance is subject to restrictions that fully protect the conservation values of the property.

If ATC intends to dispose of lands or interests in land to a private party, it will obtain a qualified independent appraisal that justifies the selling price for the property. Under no circumstances will ATC permit a sale of assets to any party deemed to have a conflict of interest.

⁴ All land transactions are reviewed by the ATC Board's Land Transaction Committee, which is responsible for ensuring that the transaction is in ATC's best interest and adheres to ATC policy.

Appalachian Trail Conservancy Policy on Tax Benefits of Easement and Fee Land Donations⁵

This policy is intended to complement and expand upon the Appalachian Trail Conservancy (ATC)'s Policy on Contributions, which is hereby incorporated by reference.

Overview

It is the legal responsibility of the landowner, not the ATC, to comply with specific requirements regarding federal or state tax deductions or credits for the donation of land or easements. Nevertheless, ATC should take reasonable measures to inform landowners of those requirements and their need to consult with competent attorneys and tax advisors for professional counsel.

Written Notification

ATC will provide written notification to potential land or easement donors who may claim federal or state tax benefits, that their donation must meet the requirements on Internal Revenue Code Section 170, et seq., and the accompanying US Treasury Department and State Tax Department regulations and/or any other federal and state requirements.

Appraisals

ATC will inform potential land or easement donors, in writing, that

- the Internal Revenue Code has appraisal requirements for a qualified appraisal prepared by a qualified appraiser for gifts of property valued at more than \$5,000, including information on the timing of the appraisal;
- the donor is responsible for any determination of the value of the donation;
- the donor should use a qualified appraiser who follows the Uniform Standards of Professional Appraisal Practice;
- ATC will require a copy of the completed appraisal;
- ATC may refuse to sign an easement based on appraisal issues; and
- ATC will not knowingly participate in land transactions if it has significant concerns regarding the tax deduction or tax credit.

Tax Benefit Disclaimer

ATC will not make assurances as to whether a particular land or easement donation will be deductible or qualify for tax deductions or credits, what monetary value of the gift the IRS and/or state will accept, what the resulting tax benefits will be, or whether the donor's appraisal is accurate.

IRS Form 8283

ATC will comply with its responsibilities to sign Appraisal Summary Form 8283, but ATC will sign Form 8283 only when the information in Section B, Part 1, "Information on Donated Property", and Part 3, "Declaration of Appraiser" are complete. ATC will inform a prospective land or easement donor, in writing, at the beginning of a land transaction that, if ATC believes that no gift has been made or the property has

⁵ This policy relates to Land Trust Alliance Standard 10.

not been accurately described or that the value of the gift has been exaggerated, it reserves the right to refuse to sign Form 8283. ATC will reserve the right to request or commission a second qualified appraisal where questions of accuracy or adequacy of the first qualified appraisal exist.

Competent Legal and Tax Advice

ATC will not provide prospective land or easements donors with tax or legal advice, but will insist that a landowner have benefit of separate legal counsel and that said donor counsel participate in drafting legal documents. ATC may assist landowners in acquiring competent legal and tax advisors.

Appalachian Trail Conservancy Policy on Stewardship of Conservation Easements⁶

This policy supersedes the Appalachian Trail Conservancy (ATC) policies on conservation easement appraisal, enforcement, and amendment adopted by ATC's Board in May, 2009.

ATC holds conservation easements on land outside the publically-owned corridor protecting the Appalachian National Scenic Trail (approximately 3700 acres at the end of 2011). This land is managed under ATC's Land Protection Program, whose mission was established in ATC's Land Protection Policy (adopted by ATC's Board in May, 2009) as:

... to enhance the primitive outdoor recreational experience of the Appalachian Trail through the protection of Appalachian Trail lands. These include the Trail itself, its immediate corridor, lands with significant ecological or cultural value, and surrounding viewsheds and soundscapes. Further protection will be provided through promotion of compatible land uses in harmony with the natural, scenic, historic, and cultural values that surrounding lands contribute to the visitor experience.

ATC's Land Protection Policy identifies the Conservancy as "the holder of last resort" for easements. ATC will seek alternate holders for its easements and transfer easements to them, if they be trusted to carry out ATC's land protection mission and are willing to assume responsibility for the easements.

ATC's director of conservation is responsible for stewardship of ATC's conservation easements. This stewardship includes:

Maintaining Good Relations with Landowners

A conservation easement is a partnership between a landowner, who obtains benefits, most tangibly in the form of tax deductions or credits, and ATC, which gets to protect a parcel of land. As with all partnerships, a clear understanding of the basis for the partnership and frequent communications are critical to maintaining the relationship. The director of conservation will ensure that written procedures are developed that provide guidelines for:

- communications with landowners before accepting a new easement,
- on-going communications with landowners for existing easements, and
- communications with new landowners for existing easements.

A record of communications with landowners, including copies of all written communications and summaries of all oral communications, will be kept in the Land Transaction File. If any of ATC's easements require landowners to obtain approval from ATC for activities on protected land, the director of conservation will ensure that written procedures are developed for the tracking approval requests.

Ensuring Adequate Funding for Easement Stewardship

ATC's Policy on Ensuring Sound Transactions in Conservation Projects addresses this topic, and is incorporated herein by reference.

⁶ This policy relates to Land Trust Alliance Standard 11.

Providing Baseline Documentation Reports

ATC's Policy on Ensuring Sound Transactions in Conservation Projects addresses this topic.

Monitoring Easements

Regular monitoring of easements provides several benefits. It ensures that the terms of the easement are being honored, provides a convenient way for ATC to maintain contact with the landowner, and alerts ATC to any changes in land ownership or management. Physical inspection of the property is the desired monitoring approach, but an aerial survey may be used if an on-site visit is infeasible.

The director of conservation will ensure that written procedures are developed that

- define the scope of monitoring activity,
- require that each conservation easement is monitored at least annually, more frequently if needed, and
- require that a report is produced in a timely fashion to document conditions on the easement after each monitoring visit.

Enforcement of Easements

ATC must enforce the terms of its conservation easements in order to protect the conservation values of the land and to ensure the public's confidence in our mission to protect the Trail experience. Failure to uphold the terms of the conservation easements it accepts could threaten ATC's legal authority, its ability to accept future donations of easements, and its tax-exempt status. ATC will actively seek to avoid potential easement violations, but it will also be prepared to address potential violations.

The director of conservation will ensure that written procedures designed to prevent easement violations, including guidelines for communicating easement requirements to new and existing landowners are developed. The director of conservation will also ensure that written procedures are developed to address easement violations. These procedures will include a graduated response, appropriate to the scope of the violation.

Amendment of Easements

The success of ATC's land-protection program depends upon the trust and confidence of landowners and the community at large that the Conservancy will uphold the terms of its easements. This confidence may be eroded if the ATC permits amendments of easements that reduce the conservation values of the land. Inappropriate amendment of a conservation easement also could jeopardize ATC's IRS tax-exempt status and the donor's charitable contribution deduction. Amendments of easements should be considered non-routine events, and agreed to only after careful review to ensure that they do not weaken the conservation protections of the original easement.

The director of conservation will ensure that written procedures are developed to provide guidelines for the review of amendment requests to conservation easements.

Condemnation and Extinguishment

Land protected by conservation easement can be subject to public process condemnation by government or other eligible entities for purposes such as road-building. On occasion, it may be necessary to extinguish an easement to merge the land with other protected land, or because the easement was subject to a time limit, or because the circumstances that justified the easement no longer exist.

Condemnation and extinguishment are such rare events that development of procedures to address them is not justified. If they do occur, ATC will work with all interested parties to ensure that the conservation values protected by the easement are maintained to the fullest degree necessary and possible.

Contingency Plans

Land trusts are advised to develop contingency plans for easements should the land trust cease to exist. ATC's bylaws contain a general contingency plan for all of ATC's assets that would cover conservation easements.

Stewardship Manual

ATC's director of conservation will ensure that this policy, the written procedures it calls for, and any other relevant information will be compiled into a Fee Land and Conservation Easement Stewardship Manual that will be easily accessible to all involved in the stewardship of ATC's conservation easements.

Appalachian Trail Conservancy Policy on Fee Land Stewardship⁷

Fee land is land that ATC owns outside the Appalachian National Scenic Trail (ANST) corridor (approximately 1500 acres at the end of 2011). This land is managed under ATC's Land Protection Program, whose mission:

... to enhance the primitive outdoor recreational experience of the Appalachian Trail through the protection of Appalachian Trail lands. These include the Trail itself, its immediate corridor, lands with significant ecological or cultural value, and surrounding viewsheds and soundscapes. Further protection will be provided through promotion of compatible land uses in harmony with the natural, scenic, historic, and cultural values that surrounding lands contribute to the visitor experience.

was established in ATC's Land Protection Policy (adopted by ATC's Board in May 2009).

ATC's Land Protection Policy identifies the Conservancy as "the holder of last resort" for fee land. ATC will seek alternate owners for its fee land and transfer parcels to them, if they can be trusted to carry out ATC's land protection mission and are willing to assume ownership.

ATC's director of conservation is responsible for stewardship of ATC's fee land, including ensuring adherence to the following stewardship principles:

- ATC will steward its fee land to maximize the land's contribution to enhancing the primitive outdoor experience of the Appalachian National Scenic Trail (ANST).
- ATC will strive to protect the conservation values of its fee land.
- ATC will make its fee land available for research, educational, and recreational use, provided that these activities do not detract from either the primitive outdoor recreational experience of the ANST or the fee land's conservation values, and subject to the availability of resources to adequately manage these activities.
- ATC will manage its fee lands in a manner that maintains and/or improves the natural, cultural, and social resource values of the parcel in the context of its surrounding landscape, and the ANST corridor.
- ATC will prohibit uses inconsistent with the conservation values and purposes of its fee land.

Ensuring Adequate Funding for Fee Land Stewardship

ATC's Policy on Ensuring Sound Transactions in Conservation Projects addresses this topic, and is incorporated herein by reference.

Fee Land Management

The director of conservation will ensure that a written land management plan is developed in a timely manner for each parcel of fee land ATC owns. The management plan will include:

- A complete description of the parcel, including a map and GPS coordinates
- Information on how the parcel was obtained and its current commercial value

⁷ This policy relates to Land Trust Alliance Standard 12.

- Copies of the legal documents pertinent to the parcel or information as to how they may be accessed
- An inventory of the parcel's natural, cultural, and social resources
- A description of the federal, state, and local regulations that apply to the parcel and what is required to comply with them
- Documentation of any easements granted on the property
- A detailed discussion of how the stewardship principles listed above will be applied to this parcel
- A description of how the parcel's boundaries will be marked and what, if any, posting will be made to prevent trespassing
- A monitoring plan for the parcel (see below)
- A community relations plan for the parcel, if appropriate (see below)
- Designation of individuals or positions responsible for implementing the plan
- A timetable for review and updating, if necessary, of the plan

This management plan will become part of the Land Transaction File described in ATC's Policy on Ensuring Sound Transactions in Conservation Projects.

Monitoring Fee Lands

Regular monitoring is necessary to ensure that the land is being managed as required by its land management plan and that inappropriate and/or unauthorized uses have not occurred. Physical inspection of the property is the desired monitoring approach, but an aerial survey may be used if an on-site visit is infeasible.

The director of conservation will ensure that written procedures are developed that:

- define the scope of fee land monitoring activities,
- require that each parcel of fee land is monitored at least annually and more frequently if needed, and
- require that a monitoring report is produced in a timely fashion after each monitoring visit to document conditions on the parcel, any observed encroachment, and any community relations activities undertaken during the visit.

Monitoring reports will become part of the Land Transaction File described in ATC's Policy on Ensuring Sound Transactions in Conservation Projects.

Addressing Inappropriate and Unauthorized Uses and Encroachments

To ensure that fee land is managed according to ATC's stewardship principles and to protect its future rights to this land, ATC will respond quickly and vigorously to any inappropriate and unauthorized uses and encroachments. ATC will establish and maintain professional relationships with local, county, and state law enforcement agencies, game commissions, and fire departments as part of its protection practices. The director of conservation will be responsible for managing ATC's response to inappropriate and unauthorized uses and encroachments, which should be appropriate to the scale of the disturbance event. The director of conservation will ensure that written guidelines for ATC's response to inappropriate and unauthorized uses and encroachments are developed in a timely manner.

Community Relations

ATC will strive to be a good neighbor on all its fee land parcels, and to inform neighbors and neighboring communities about its land protection mission and any land management activities it plans for the parcel. It will also strive to educate its neighbors about the ANST and ATC's role in its management and protection. ATC will listen carefully to any concerns neighbors have about ATC's ownership and management of the fee land parcel and act to mitigate these concerns, if reasonable.

Contingency Plans

Land trusts are advised to develop contingency plans for their fee lands should the land trust cease to exist or cannot manage the land. ATC has an obligation to protect the conservation values of some land in perpetuity. ATC's bylaws contain a general contingency plan for all of ATC's assets that would cover fee lands.

Stewardship Manual

ATC's director of conservation will ensure that this policy, the written procedures and guidelines it calls for, and any other relevant information will be compiled into a Fee Land and Conservation Easement Stewardship Manual that will be easily accessible to all involved in the stewardship of ATC's fee lands.

Attachment 6

ATC Land Protection Policy (Adopted by ATC Board of Directors, May 2009)

Program Mission

The mission of the Appalachian Trail Conservancy Land Protection Program is to enhance the primitive outdoor recreational experience of the Appalachian Trail through the protection of Appalachian Trail lands. These include the Trail itself, its immediate corridor, lands with significant ecological or cultural value, and surrounding viewsheds and soundscapes. Further protection will be provided through promotion of compatible land uses in harmony with the natural, scenic, historic, and cultural values that surrounding lands contribute to the visitor experience.

Program Priorities

To accomplish its purposes, the Program will focus its efforts on defined priority areas. These areas will be established based on:

1. Comparative analysis among all identified unprotected Appalachian Trail lands employing GIS modeling and field investigations;
2. Discontinuities in the integrity of the A.T. corridor as wildlife habitat and potential migration corridor;
3. Opportunities to leverage ATC resources by working with existing and potential partners and coalitions;
4. Level of threat to A.T. values from potential development for incompatible land use.

Best Practices and Standards

In 2006, the ATC Board of Directors adopted the Land Trust Standards and Practices published by the Land Trust Alliance in 2004, acknowledged that the Standards and Practices represent ethical and technical guidelines for the operations of a land trust, and committed to making continual progress toward implementation of these standards and practices.

Program Means

For any given defined priority area, ATC will select and use those means it deems to be best suited to achieve its mission. Among the means that may be employed are to:

1. Build alliances and coalitions with other conservation partners;
2. Develop regional planning tools and advocate for planning and zoning legislation and ordinances;
3. Engage local communities through outreach and green infrastructure planning;
4. Seek and accept donations of fee or easement interests on critical tracts, directly or through partners;
5. Purchase fee or easement interests on critical tracts, directly or through partners.

Partnerships

The Program relies heavily on local relationships to provide a close connection to the community. Trail clubs and other partners can assist by:

1. Designating one or more individuals to serve as the organization's liaison to the program;
2. Raising awareness of the A.T., the Conservancy and the importance of the Trail as a recreational and natural resource within local communities and governments;
3. Identifying lands outside the Trail corridor that have a tangible and important connection to the Trail and hikers' experience (such as viewsheds, side trails and water sources);

4. Identifying funding prospects and other resources to support protection work;
5. Providing volunteer energy and time to support other aspects of land protection, depending on the interests and strengths of the organization and its members.

Role of Volunteers

Volunteers can play significant roles in ATC land-protection efforts—as advocates within their own communities and in other trail-side communities for A.T.-compatible land-use planning and zoning practices; as an early-warning mechanism of potential incompatible development near the A.T.; as ambassadors for A.T. land-conservation efforts; as liaisons to landowners who have or may be interested in conserving their lands or interests in lands; and as monitors of ATC- or publicly-owned properties.

ATC will communicate opportunities for volunteer engagement in its land-conservation work through a variety of means and also will provide necessary training, where appropriate, provided such engagement can be accomplished safely, efficiently and in a manner consistent with ATC legal, fiduciary and procedural obligations.

Criteria for Seeking and Accepting Property Interests

In land protection activities, ATC takes the role of convener and coordinator and is always the holder of last resort for both easements and fee properties. ATC primarily works through partners including federal and state agencies as well as local, regional or national land trusts. ATC may accept direct stewardship responsibility only for:

1. Properties that lie directly across the Trail or are adjacent to the trail corridor, and;
2. Properties that provide access to the Trail (e.g., secure side trails) or offer other needed trail facilities (e.g., parking lots).

The basis for limiting the scope of ATC's direct stewardship responsibility is 1) ATC is best equipped to deal with a contiguous land base centered around the corridor, and 2) considering the large number of existing land trusts, it is very likely that another organization can be found to hold easements on lands farther away from the trail corridor.

ATC recognizes that specific parcels important to preserving the trail experience as defined by the criteria below may not fulfill the conditions outlined above for direct stewardship. In those cases ATC will exert all possible efforts to find and work with local or agency partners to protect these properties. In cases where no local or agency partners can be found to hold the interests, ATC may consider taking on these interests provided that:

- the benefit to the trail experience is unarguably demonstrable and considerable
- ATC is capable of stewarding and enforcing the interest, resources will come with the interest and the responsibilities being accepted are reasonable and within ATC's means and capacities.

The criteria below will guide decisions as to whether specific parcels are of interest to ATC, and as such should be pursued either directly if above conditions are met, or through partners and possibly co-held (i.e., part of the "partnershed" or Appalachian Trail Countryside). The parcel must meet most of these criteria:

1. Is in a priority area as defined by ATC's GIS modeling and field investigations;
2. Is contiguous to the trail corridor;
3. Is contiguous to other protected lands – the parcel will have a landscape level impact;
4. Contains both the day and night viewsheds and soundscapes – visible and audible from the trail;
5. Is vulnerable to development pressures;
6. Is of significant size: the bigger the natural area protected the better (though size is relative in different regions);
7. Is adjacent to Wilderness or remote areas that the Trail passes through;

8. Contains important conservation or ecological values, such as:
 - a. Protects water resources important to the trail;
 - b. Would protect landscapes of historical significance or documented cultural resources
 - c. Is wooded, in traditional agricultural use or similar natural state;
 - d. Promotes landscape level ecological diversity and habitat connectivity.

As these criteria reflect the conservation values of importance to ATC, all easements involving ATC in the future should contain language specifically addressing these values. Conversely, ATC should not be responsible for monitoring activities and conservation values that are not of direct import and consequence to its stated priorities and criteria.

In addition to these conservation criteria and to the assessment of other potential holders, before taking ownership of additional land interests, ATC will consider during its land transaction review its stewardship responsibility and resources available. When accepting any additional interest, ATC must calculate the long-term cost of stewardship and secure the necessary resources in its Monitoring Fund. In all instances, ATC will seek to consolidate the A.T. land base by transferring interests to the regional A.T. land holding agency, whether it be state or federal.

Any transaction involving land interests, including acceptance of a gift, acquisition, sale, transfer or donation, must be reviewed by the Land Transaction Review Committee (or a succeeding Board committee with a similar charge) and approved by the Board of Directors.

Attachment 7

ATC's Contributions Policy

This contributions policy is based upon the following principles:

Contributors to the Appalachian Trail Conservancy include individuals, corporations, public charities, private foundations, clubs, and other affiliated organizations.

Decisions concerning acceptance of contributions will be governed by the mission of the Appalachian Trail Conservancy as expressed in its strategic plan.

Contributions to the Appalachian Trail Conservancy, of whatever kind, that are not restricted by the donor to be used for a particular purpose shall be assumed to "support the purposes of the Conservancy" and will be considered to be unrestricted gifts for purposes of Statement of Financial Accounting Standards No. 117.

Should a donor specify a purpose for a gift that the staff considers not in keeping with, or supportive of the Conservancy or its policies, the gift will not be accepted. With the exception of split-interest gifts recognized by the Internal Revenue Code, such as charitable gift annuities and charitable remainder and lead trusts, gifts that provide significant benefit to the donor or other non-charitable beneficiaries other than ATC-affiliated organizations will not ordinarily be accepted. When in doubt, the staff will take the question to the Internal Review Committee.

Decisions of the staff are subject to approval by the Board of Directors or its designated committee.

Gifts of Cash

Gifts in currency or by check or charge (MasterCard, Visa, Discover, or American Express) are considered to be cash gifts and, if in United States funds, accepted from any source. All gifts will be acknowledged in accordance with current U.S. Treasury Department regulations and requirements. An appropriate staff member will thank all donors.

Gifts intended to establish annual membership—Dues will be deposited in the General Fund and accounted for in accordance with Statement of Financial Accountant Standards No. 116.

Memberships via workplace-giving programs—Individual contributors who give to the Conservancy an amount equal to the value of an individual membership in a given year via workplace-giving programs will be considered members of the Conservancy.

Life memberships—The fees for life membership may be paid in equal amounts in up to three installments within a 12-month period. All fees shall be deposited to the Life Member Fund and, once the total prescribed fee is paid, qualify the donor for all benefits in Conservancy membership for the balance of the individual's or couple's lifetime. In the event an installment plan is not completed within three years, the money paid will be transferred from the Life Member Fund to the General Fund, and the person's annual membership extended for a period reflecting the amount paid.

Unrestricted and less than \$500—These gifts will be deposited to the General Fund in the year received.

Restricted and less than \$500—If a donor specifies a fund to which the contribution should be applied other than the General Fund, the donor's instructions will be followed. Donor intent may be inferred from the language of the contribution solicitation.

Individual gifts of \$500 or more—Persons during their lives or through bequests or other devices who contribute \$500 or more within a calendar year (including donations received through workplace giving) will be recorded as members of the Benton MacKaye Society in that year. Donor restrictions will be respected. Unrestricted gifts made during the donor's life shall be deposited to the General Fund.

Bequests—Bequests restricted for a specific fund (or a purpose corresponding to an existing fund) by the decedent's will, trust, or other instrument shall be deposited to that fund. General or unrestricted bequests shall be deposited to the Stewardship Fund. Proceeds from life insurance policies of which the Conservancy is the named beneficiary, or proceeds from the surrender or maturation of gifted life insurance policies, shall be considered bequests.

Memorial Gifts—Gifts in memory of a person will be acknowledged in a timely matter in *A.T. Journeys*, and the next-of-kin will be notified of such gifts unless the donor requests otherwise. Unrestricted memorial gifts will be deposited to the General Fund, and the donor, as part of the thank you process, will be advised of the over-all work of the Conservancy that is being supported by this gift. Donors seeking to designate their gifts may be advised that:

- a. Gifts may be restricted for ATC's general programs, such as Trail crews, land acquisition, *etc.*
- b. In special circumstances, the family or friends of the deceased may desire that monies contributed in his or her name be applied to a specific program, project, or fund that is *not* planned or anticipated by ATC and its Board of Directors. Those monies will be restricted until such time as an appropriate program, project, or fund is identified and accepted by both the donors and the executive director. Such donors shall be notified that, if their funds are not spent within a three-year period, they will be assigned to the Stewardship Fund and considered unrestricted.
- c. Distinct memorial endowments may be created upon approval of the executive director, assuming a minimum endowment of \$10,000 contributed within five years of the date of the agreement to create such an endowment. A written agreement is required to establish a memorial endowment fund. Should the minimum goal not be achieved, funds contributed for this purpose will be assigned to the Stewardship Fund as permanently restricted. Such funds will be commingled with other monies within the Stewardship Fund and will be subject to the Investment Policy of the Appalachian Trail Conservancy.

Gifts of Securities

Negotiable securities for which a readily available secondary market exists can be accepted and will be liquidated to the advantage of the Conservancy as soon as it is feasible and prudent, under procedures developed by the Finance Committee. Proceeds shall be deposited to the General Fund or as otherwise restricted by the donor. The treasurer and executive director may accept donations of securities contingent on the Conservancy's holding the security for a specified period after appropriate review. Also, negotiable securities for which a readily available secondary market does not exist can be accepted with the approval of the treasurer and executive director. General partnership interests or other investments exposing the Conservancy to potential liability shall not be accepted. In consideration of the transaction costs of liquidating securities and required staff time, ATC will only accept gifts of securities with a value exceeding \$250.

Gifts of Insurance Policies

In addition to being named as the beneficiary of life-insurance policies, the Conservancy may receive gifts of policies during the insured's life. The decision to surrender the policy, hold the policy, or make additional premium payments is to be made by the treasurer, the Finance Committee chair, and the executive director. The Conservancy, however, will not participate in so-called split-dollar life insurance policies when the donor or other non-charitable beneficiaries receive substantial benefit from the proceeds.

Gifts of Property

In order for the donor to qualify for tax deductions and comply with U.S. Treasury regulations, all gifts of property other than publicly traded securities with a value of \$5,000 or more must be accompanied, or preceded, by an independent appraisal of the gift's fair market value. The Conservancy will cooperate with an appraiser selected by the donor, but the responsibility for arranging the appraisal and its attendant costs rests with the donor. Especially in connection with the acquisition of real property by gift or purchase, the Conservancy may obtain appraisals at its own expense and such appraisal may be provided to the donor. However, the responsibility for determining the adequacy of the appraisal to satisfy the substantiation requirements of Treasury regulations is the donor's. In deciding whether to accept a gift of property, the Conservancy should consider the costs of selling the property. Ordinarily, the anticipated selling costs should be less than 20 percent of the fair market value of the gift. The proceeds from the sale of donated property will be used to offset selling expenses, regardless of any donor restrictions on use of the proceeds.

Personal property: Gifts of personal property will be accepted only upon a determination by the treasurer, the Finance Committee chair, and the executive director that the Conservancy has an immediate use for the property or that the Conservancy has a reasonable likelihood of being able to sell the property. In all cases, the Conservancy shall retain indefinitely the right to sell the property. If sold, the unrestricted net proceeds from the sale of the property will be treated as a cash gift.

Real property: Gifts of real property valued at \$10,000 or less will be accepted only upon approval of the chair of the Conservancy and the chair of the Stewardship Council. Gifts of real property valued at more than \$10,000 will be accepted only upon approval by the Executive Committee of the Board of Directors. The director of the Conservancy will ensure that all gifts of real property first meet due diligence environmental-review standards as determined by The Standards and Practices Guidebook published by the Land Trust Alliance. Such gifts will be accepted as follows:

- a. Donated real property within, adjacent to, or otherwise integral to the enhancement of the Appalachian Trail corridor shall be first included among the assets of the Land Acquisition Fund and then sold at the earliest prudent opportunity to an appropriate public agency or, if to be held in perpetuity, shall be administered as part of the Appalachian Trail Conservancy land holdings.
- b. Other donated real property shall be sold to the advantage of the Conservancy as soon as it is feasible and prudent to do so, with unrestricted net proceeds allocated to the Land Acquisition Fund.

Gift Annuities

Contributions of charitable gift annuities, whereby a donor makes a gift derived from cash or publicly traded securities valued at \$10,000 or more to the Conservancy, may be accepted in return for a contract to pay the donor(s) an annual fixed amount for life and if the annuities are payable for the lifetime of not more than two persons at the time of the gift. The maximum annuity rates offered will be those determined and published by the National Committee on Gift Annuities. Prior to the acceptance of any such gift by the Conservancy, the potential donor will be encouraged to consult his or her own tax and legal counsel. The Conservancy will administer its gift annuity program in accordance with applicable accounting requirements, state laws, and provisions of the Internal Revenue Code and regulations there under.

Donors will be recognized as members of the Benton MacKaye Society for the year in which the annuity agreement is signed. The balance of any principal shall be added to the Stewardship Fund upon maturation of the gift unless otherwise restricted by the donor.

Charitable Remainder Trusts

The Conservancy encourages donors to name ATC as the charitable beneficiary of charitable remainder trusts. Conservancy permission and notification are not required under applicable Treasury regulations.

The Conservancy may serve as trustee of charitable remainder unitrusts and charitable remainder annuity trusts, provided that:

- a. the contributions are in the form of cash or publicly traded securities,
- b. the Conservancy is irrevocably named as trustee,
- c. the Conservancy is the irrevocable remainder beneficiary for more than one-half of the remainder interest,
- d. the trust instrument authorizes the payment of investment management fees, tax-return preparation fees, and other trustee expenses from the trust assets, and
- e. the minimum value of the assets funding the trust, at the time of contribution, is at least \$100,000. Lower amounts will be considered in special circumstances.

The Conservancy will administer such trusts in accordance with applicable accounting requirements, state laws, and provisions of the Internal Revenue Code and regulations thereunder. Prior to accepting such gifts, the Conservancy will encourage the potential donor to consult his or her own tax and legal counsel.

Donors will be recognized as members of the Benton MacKaye Society for the year in which the charitable remainder trust agreement is signed. The balance of any principal shall be added to the Stewardship Fund upon maturation of the gift unless otherwise restricted by the donor.

Corporate Contributions

Gifts of less than \$500: Gifts of less than \$500 from business, corporations, and corporate foundations will be deposited to the General Fund in the year received unless otherwise restricted by the donor. Such gifts can be cash or in-kind gifts of professional services or equipment. Gifts of equipment will be treated in the same manner as individual gifts of personal property.

Gifts of \$500 or more: Businesses, corporations, and corporate foundations that contribute gifts of \$500 or more qualify for Conservancy membership in accordance with the applicable provisions of the bylaws. These gifts will be deposited to the General Fund in the year received unless otherwise restricted by the donor. Such gifts can be cash or in-kind gifts of professional services or equipment. Gifts of equipment will be treated in the same manner as individual gifts of personal property.

Such gifts will be acknowledged in a timely manner in A.T. Journeys and, in appropriate circumstances, through occasional media-exposure opportunities. Any further activity to recognize a corporate contribution must (i) not conflict with any applicable Conservancy policies, including “managing the Appalachian Trail for a primitive experience” and (ii) not conflict with any applicable agency policies and regulations, and (iii), if necessary, must be authorized via a special-use permit.

The activity also must meet the following criteria:

1. The activity will not adversely impact the Trail corridor, its resources, or the Trail experience;
2. The activity will be in compliance with the Conservancy’s policies for use of ATC registered trademarks, service marks, and copyrights.
3. The activity will be codified through a written agreement that may be subject to review by the Conservancy’s legal counsel.
4. The activity will not require or include any Conservancy endorsement of product or company;
5. The activity is not likely to affect public perception of the work of the Conservancy in an adverse manner; and
6. Recognition of the contribution will not replace recognition of contributions made by volunteers, Trail clubs, agency partners, or ATC for that activity.

In the event the proposed activity does not clearly meet the above criteria, the activity will be accepted only upon approval of the Internal Review Committee.

Cause-related Marketing Gifts—Gifts that are a result of cause-related marketing will be accepted only upon approval of the Internal Review Committee. Such gifts, also referred to as commercial cooperative ventures and product tie-ins, are considered consumer product-related activities that benefit the Conservancy in its fund-raising and outreach activities and benefit a corporate contributor in advancing its public relations and marketing objectives. In identifying and developing cause-related marketing gifts, the Conservancy will form partnerships with companies and products that:

- a. advance the Conservancy's mission;
- b. are of high quality and good reputation;
- c. offer potential for expansion of the partnership;
- d. offer high income potential, potential for high visibility, or potential to promote educational Trail-community messages.

Such cause-related marketing gifts must meet the criteria specified above for corporate gifts of \$500 or more, unless otherwise decided by the Internal Review Committee, although the committee may not waive requirements (i) through (iii).

The Internal Review Committee shall consist of the Conservancy chair, the vice chair, and the executive director.

These gifts will be deposited to the General Fund in the year received unless otherwise restricted by the donor.

Corporate matching gifts—Gifts donated by a company to match an individual employee's donations will be deposited to the General Fund in the year received.