

Handbook of Operations for Mid-Michigan Land Conservancy

For use by members of the Board of Directors of Mid-Michigan Land Conservancy;

(The Land Trust Alliance's *Standards and Practices*, 2004 edition, was used as the basis for this Handbook.)

Note: All documents mentioned in this Handbook are listed in Appendix I and are available on request. See Appendix I for how to obtain documents.

I. **Mission and Mission Efforts** (Standard 1)

1. **Articles of Incorporation and Bylaws**

The *MMLC Articles of Incorporation* and *MMLC Bylaws* (hereinafter referred to as Bylaws) are reviewed as needed but at least every five (5) years.

2. **Mission**

- to conserve natural, scenic, recreation, and agriculture lands and their natural diversity in mid-Michigan so rural landscapes are preserved,
- to encourage and support the preservation of these lands and their natural diversity.

3. **Vision Statement**

See Appendix II for *Vision Statement*.

4. **Annual Plan**

Each fall the Mid-Michigan Land Conservancy (MMLC) Board of Directors (hereinafter referred to as Board) develops an *Annual Plan* for the coming calendar year. At the same time it evaluates the previous Annual Plan. The Annual Plans are distributed to all Board members by the president of the Board.

5. **Five-year Strategic Plan**

The Board develops a 5-year strategic plan that is brought current at least every five (5) years. See Appendix I for title of current plan.

6. **Land Protection Plan**

The Board has developed a *Strategic Conservation Plan*.

7. **Outreach**

- See current Annual Plan.
- Website. Our website is www.midmilandcons.org. Changes are made continually on an "as needed" basis. See Appendix I for contact information for webmaster.

8. **Ethics**

MMLC's goal is to operate with high ethical standards in performing all parts of its mission. This goal and these standards are more fully set forth in *MMLC's Bylaws*.

II. **Laws and Records** (Standard 2)

1. **Compliance with Laws**

MMLC's policy is to comply with all relevant laws. The following are kept current and, where required, are submitted by stated deadlines: (i) local, state, and federal tax documents, (ii) Michigan corporation updates, (iii) license to solicit. Documents that must be signed are signed by the president. The Board reviews and brings current its Bylaws as needed.

2. **Records Policy**

MMLC keeps two sets of files, one at each of two separate locations. Both sets of files are in printed form. All MMLC files, including all individual landowner folders, are in Paul K. Kindel's (Board member, current president) house at 2915 Margate Lane, East Lansing, MI. They are in a metal filing cabinet that is reasonably fire-proof. A duplicate copy of the essential documents in each landowner's folder is in Room 108C of the Biochemistry Bldg., Michigan State University, East Lansing, in the bottom drawer of the metal filing case with lock number S100. The two sets of files are in a home that is kept locked appropriately and in a locked office in a building kept locked except during working hours, respectively. A written list of the documents in the folders in both sets of files is kept on two (2) different computers, one located at each of the

two locations. This written list is in the document entitled *Physical Location and Contents of Files of: (I) Properties with Conservation Easements Held by MMLC (II) Properties Owned by MMLC, (III) Properties Designated in Trusts and Will for MMLC and (IV) Others*. A small amount of material for some folders is in electronic format on Paul K. Kindel's computer at 2915 Margate Lane. The custodian of the records is Paul K. Kindel. If the need arises, Edward Schools, MMLC Vice-president, can obtain access to the MMLC files in the Biochemistry Bldg. by contacting William Yang, Building Administer. Mr. Yang's contact information is: (i) e-mail: yangwi@msu.edu and (ii) telephone: 517-353-3180.

3. Preparation of Conservation Easements, Baseline Documents, and Financial Documents

The Board president or his or her designee, or both, are responsible for the preparation of all conservation easements (CEs) and sign all CEs after they have gone through the MMLC acceptance process. The acceptance process is described more fully in our acceptance document, *Steps in the Protection of Land with a Conservation Easement Donated to MMLC*. In the acceptance process three (3) separate votes are taken by the Board, including one taken after the MMLC attorney has examined the CE and associated documents. Each vote is taken at a separate, regularly-scheduled Board meeting and is recorded in the minutes. The Board president or his or her designee, or both, are responsible for the preparation of all Baseline Documents for all CEs and sign all Baseline Documents (See XI. 2. for additional information.). A copy of each new Baseline Document is distributed to all Board members before the Baseline Document is signed. The treasurer of the Board prepares all financial documents, including tax documents. The president signs all tax documents. All CEs, Baseline Documents, and other relevant documents are kept and filed in the appropriate folders and none are disposed.

A list of current Board members and the offices they hold on the Board is given on our website.

4. Participation in Public Policy

MMLC may engage in public policy at the federal, state, or local level, or any combination, such as, but not limited to, supporting or opposing legislation, advocating for sound land use policy, and endorsing public funding of conservation, provided it complies with federal and state lobbying limitations and reporting requirements. MMLC will not engage in political campaigns or endorse candidates for public office.

III. Board Accountability (Standard 3)

1. Board Responsibility

The Board is responsible for establishing the mission of MMLC, for determining strategy, for setting policies to accomplish the mission and strategy, and for the oversight of MMLC's finances and operations.

Board members are responsible for attending board meetings and for being informed of the contents of the MMLC's Articles of Incorporation, Bylaws, and this Handbook and conducting themselves accordingly. They are also responsible for understanding the contents of the policy documents approved by the Board (See the Addendum.). They are also responsible for keeping themselves informed about all business before the Board. The officers of MMLC are responsible for providing Board members with sufficient information to make informed decisions. Board members are responsible for requesting additional information when the information provided seems inadequate or incomplete.

2. Board Composition

The Board regularly evaluates the composition, breadth of experience, and expertise of its collective board membership. MMLC strives to develop the Board so that it is composed of members with diverse skills, backgrounds, and experiences who are committed to board service. A board development plan will be prepared and regularly evaluated that addresses board recruitment and operations.

MMLC strives to maintain Board membership of sufficient size and diversity in order to minimize conflicts of interest, qualify the organization for tax-exempt status, provide credibility in the community, and ensure effective operations.

3. Board Meetings and Membership

Board meetings per year, Board member attendance, and quorums are addressed in the Bylaws.

4. Delegating Authority

The Board may delegate the authority to make decisions or perform management functions, or both, to Board members, to duly appointed committees of MMLC, to staff, or to third parties provided the individuals and committees regularly report their activities to the Board. The Board shall define the limits of the authority and the timeliness of reporting to the Board.

5. Board Approval of Land Acquisitions

The Board approves every land acquisition. Land acquisitions include all CEs, fee simple purchases of land, and any other type of land acquisitions in which MMLC may engage. All land acquisitions must be approved by no less than two-thirds (2/3) of the Board members present and voting at a regularly scheduled meeting of the Board.

CE and fee simple donations must follow the steps in the documents *Steps in the Protection of Land with a Conservation Easement Donated to MMLC* and *Steps in the Protection of Land by Fee Simple Donation of the Land to MMLC*. These processes involve a written report on each property for Board use. The relevant report documents are *Report to MMLC Board on Property Being Submitted to MMLC for a Conservation Easement* and *Report to MMLC Board on Property Being Submitted to MMLC for Fee Simple Ownership*.

Bargain sale purchases of land will follow the steps in the document *Steps in the Protection of Land by a Bargain Sale Purchase of the Land by MMLC*. Full purchase of land by MMLC will follow standard real estate purchase procedures, will require three (3) votes by the Board, and will use the document *Land Information Form for Land Being Considered for Purchase by MMLC*.

The Board reviews all relevant land transactions to ensure that the land has appropriate conservation values and that each transaction has a public benefit.

IV. Conflict of Interest (Standard 4)

1. Conflict of Interest Statement

Any conflict of interest should immediately be brought to the attention of the president and the Board. MMLC has a conflict of interest document. Each year at the time of Board elections (spring) each board member must sign the *Conflict of Interest Disclosure and Acknowledgement Statement* and give it to the Board president. See Appendix III.

2. Board Compensation

Board members do not receive financial compensation, except for reimbursement of expenses approved by the Board. Any compensation must be in compliance with charitable trust law.

3. Transactions with Insiders

Land transactions with insiders will follow the conflict of interest policy of MMLC as stated in the MMLC's conflict of interest document in Appendix III. There must be no private inurement or impermissible private benefit.

V. Fundraising (Standard 5)

1. General

To support its mission, Board members may engage in a variety of fundraising activities, including but not limited to direct donor solicitation, proposals to private foundations and state and federal agencies, capital campaigns, and special events.

2. Legal and Ethical Practices

MMLC complies with applicable charitable solicitation laws, including provisions regarding registration and filing of financial reports, does not engage in commission-based fundraising, and limits fundraising costs to a reasonable percentage of overall expenses.

3. Accountability to Donors

The MMLC provides written acknowledgement of gifts as required by applicable federal and state law, ensures that donor funds are used as specified, keeps accurate records, honors privacy requests, and advises donors to seek independent legal and financial advice for substantial gifts.

4. Accurate Representations

Representations will be accurate and all funds will be spent for the purpose(s) stated in the solicitation or as directed in writing by the donor.

VI. Financial and Asset Management (Standard 6)

1. Annual Budget

MMLC's fiscal year is the calendar year. If needed, MMLC prepares an annual budget that is reviewed and approved by the Board and is distributed to all Board members. The budget is consistent with the Annual Plan. Variances from the approved budget are reviewed by the board on a timely basis and must be approved by the Board.

2. Financial Records, Reports, and Statements

MMLC keeps accurate, written financial records. The MMLC Treasurer operates all MMLC accounts. The treasurer and president have access to all accounts and both have knowledge of all passwords.

The treasurer prepares financial statement in a timely manner and these must be approved by the Board. Typically a statement is prepared for each Board meeting and the Board votes on its approval at the meeting. On each statement all accounts must be shown by name and all expenditures for the time period of that statement must be listed.

Annual financial statements are prepared according to Generally Accepted Accounting Standards.

3. Internal System for Handling Money, including Funds Received

The treasurer prepares all financial reports. All donations, grant funds, and other assets received by MMLC are received by the president who lists them on the agenda of the next applicable Board meeting and, where appropriate, transfers them to the treasurer. The treasurer records all assets received by the president on the next applicable financial statement given to the Board members. On a timely basis, assets are deposited by the treasurer. Members of the Board regularly review the documentation of assets at a regularly scheduled Board meeting. The Board shall make a determination that any donation in excess of \$25,000 is appropriate to accept and is not in violation of any Bylaw or other governing document or policy. The Board retains the right to reject any donation of any size.

All funds expended by MMLC must be approved by the Board at a regularly scheduled Board meeting and the approval recorded in the minutes. The Board may approve an approximate expenditure at a Board meeting in advance of the actual expenditure and at a later Board meeting approve the exact expenditure. Any expenditure above \$500 requires prior approval of the Board before disbursement by the treasurer. The president may approve expenditures of \$500 without prior approval of the Board; however, all such expenditures must be approved by the Board at a subsequent Board meeting. All expenditures are paid by the treasurer upon receipt of a written invoice or receipt and are stated in the financial statements to the Board.

4. Use of Financial Assets, including Designated Funds

A description of MMLC funds is in the document *MMLC Accounts and Funds*.

(i) Operating Funds

Assets not in named, designated or dedicated funds are considered general operating funds. Operating funds are used for the general operation of MMLC. Operating funds can be used for the costs associated with the acquisition of CEs and land owned fee simple, and for all stewardship expenses. For our four (4) acquisitions to date, the average cost has been less than \$1,500 per acquisition.

(ii) Stewardship Funds

MMLC has a Stewardship Endowment Fund (SEF). It is a designated fund. The assets are designated for the stewardship of CE and fee simple properties. Stewardship includes monitoring and defending these properties. Currently (2017) the fund has \$24,500. Each year we plan to increase the SEF by approximately \$5,000 until we reach \$60,000. All monitoring is done by board members at no cost to MMLC, and we expect this to continue in the foreseeable future. See MMLC documents *MMLC Accounts and Funds* and *Stewardship Endowment Fund; Source and Use of Assets* for more information on funding for stewardship.

Information on the cost of preparing and providing stewardship for a CE is described in *Estimated Cost for the Preparation and Stewardship of a Conservation Easement*.

Total stewardship costs of our fee lands over the last three years have averaged about \$1,600/year. We expect these costs to remain about the same for the next five (5) years. All stewardship costs are paid from MMLC operating funds. Every year since 2003, the year MMLC was incorporated, MMLC has had a positive inflow of funds, so the inflow of funds has been more than adequate to fund stewardship costs, and we expect this to continue in the foreseeable future.

5. Investment and Management of Assets

MMLC has an Investment Committee (see *MMLC Accounts and Funds*) and a financial plan for investing and managing our assets. When the financial plan is changed, each change must be approved by the Board. The names of the president and treasurer will be on all financial accounts and both will have all relevant passwords.

6. Financial Review, Audit or Compilation

MMLC typically has annual revenues of less than \$100,000. Therefore, an independent audit or review of the financial records is not required. A review of MMLC records will be conducted in conjunction with the preparation of IRS Form 990 by an independent CPA firm. Completed tax returns and financial statements are made available to the members of the Board for review on a timely basis. The Board approves the selection of the independent CPA firm each year. The president signs all tax documents.

7. Sale or Transfer of Assets (Including Land and Easements)

All sales or transfers of MMLC assets must be approved by no less than two-thirds (2/3) of all Board members at a regularly scheduled meeting of the Board. The Board must consider the reasonable wishes of the donor as stated in any relevant Memorandum of Understanding between MMLC and the donor of the asset when selling or otherwise transferring the asset, as long as such wishes are not materially inconsistent with the mission of MMLC or its governing documents.

8. Risk Management and Insurance

All land transactions are examined by the Board for environmental and financial risk. Liability insurance will be obtained for all properties owned by MMLC fee simple. The Board at its discretion may obtain liability insurance for properties with CEs.

VII. Volunteers, Staff and Consultants (Standard 7)

1. Capacity

The Board will establish goals and priorities for MMLC's programs each year and match available volunteers, staff (if there is staff), and other personnel with work to be performed. This will be part of each Annual Plan.

2. Volunteers

Procedures to recruit, train, and supervise volunteers will be developed as needed.

3. Staff

This section will be developed and approved by the Board before any staff is hired.

4. Working with Consultants

When working with consultants, including attorneys, written correspondence is generally used, and contracts, when used, will be in writing. All consultant and contract relationships will be consistent with applicable federal, state, and local law.

VIII. Evaluating and Selecting Conservation Projects (Standard 8)

1. Identifying Land Protection Focus Areas

A land protection plan, the *Strategic Conservation Plan*, has been developed. See Appendix I.

2. Project Selection and Criteria; Site Inspection; Project Planning; Evaluating Risks

Project selection and criteria are described in the document *Criteria for Land Considered for Protection by MMLC*.

MMLC inspects all properties for congruence with MMLC's mission before acquiring CEs on land or fee simple ownership of land. All conservation projects are individually planned and executed by, or under

the direction of, the Board. MMLC examines all CE and other conservation projects for possible risks, including, but not limited to, use of surrounding land, leases on the property, and water rights.

3. Federal and State Requirements

MMLC examines each conservation project to establish that, in the opinion of MMLC, it meets the conservation test(s) as stated in Internal Revenue Code §170(h), as amended from time to time, and meets all other applicable federal, state, and local requirements.

4. Public Benefit of Transactions

MMLC documents the public benefit(s) of each CE accepted and the manner in which its benefits are consistent with the mission of the MMLC. All conservation projects must conform to federal, state, and local law.

5. Documenting Conservation Values

MMLC documents the condition of the important conservation value(s) and the public benefits of each property by ensuring a Baseline Document is prepared and approved for each CE. The landowner is given a copy of the Baseline Document.

6. Evaluating the Best Conservation Tool

MMLC considers the best conservation method for protecting each property and informs the landowner of alternative methods even if the methods do not involve MMLC.

7. Evaluating Partnerships; Partnership Documentation

MMLC will evaluate any partnership or other arrangement with regard to the mission and resources of MMLC before engaging in the partnership or other arrangement. Any partnerships or other arrangements that are made will be fully documented in writing so each partner's or member's role is clear.

8. Non-conservation Property

The Board will evaluate and vote on the disposition or other use of any property or other asset it receives that does not meet the mission of MMLC. If MMLC intends to sell or have the option to sell such a property or asset, upon acceptance of the property or asset it will prepare written documentation of this intent and give the documentation to the landowner.

9. Public Issues

The Board will decide in which public projects and issues, such as, but not limited to, education, public comment on land conservation issues, MMLC will participate.

IX. Ensuring Sound Transactions (Land Transactions)(Standard 9)

1. General

All acquisitions of conservation easements and of land to be held by MMLC fee simple follow the steps described in the following two documents: (i) *Steps in the Protection of Land with a Conservation Easement Donated to MMLC* and (ii) *Steps in the Protection of Land by Fee Simple Donation of the Land to MMLC*. A report on each property is prepared for the Board as part of each process. Report forms have been developed for this purpose.

2. Legal Review and Technical Expertise

MMLC has an attorney experienced in real estate law and transactions review every CE accepted and all other land transaction in which it engages. Where appropriate, experts in other areas, such as, but not limited to, finance, tax, science, natural resources, will be consulted.

3. Independent Legal Advice

MMLC does not give legal, tax, or financial advice and informs landowners of this in writing by giving them the two documents named above in IX. 1. It recommends to each party in a transaction that they obtain independent legal, tax, financial, and other professional advice.

4. Environmental Due Diligence for Hazardous Materials

In every land transaction MMLC requests from the landowner any information on hazardous materials and sites on the property. MMLC visually inspects each property for evidence of hazardous materials and sites. Where appropriate, the Board engages independent environmental consultants. The issue of owner responsibility for such contamination is addressed in all land transactions, including all CEs.

5. Determining Property Boundaries

MMLC obtains boundary descriptions from legal documents, particularly deeds, or, if appropriate, from a survey. The boundaries of any restricted area(s) or zone(s) in each property are clearly described in the CE or other transaction document.

6. CE Drafting; Documentation of Purposes and Responsibilities

Each CE is specific for the particular property being protected. The Michigan Model Conservation Easement Standard Template is used as the starting template when preparing a conservation easement. The important conservation values, the public benefits provided, the permitted uses, and the prohibited uses are all stated in the CE. Only permitted uses and reserved rights are allowed that do not impair the conservation values of the property. A prohibited use is allowed only if MMLC has the capability of monitoring it.

The purpose(s) of each CE and the responsibilities of each party involved are stated in each CE.

7. Title Investigation and Subordination

MMLC engages a professional title company to preform a thorough title search for each property on which it intends to place a CE or on which it intends to acquire title in order to reveal any mortgages, leases or other encumbrances. Title searches are brought current at signing. Mortgages, leases, and other encumbrances that could result in extinguishment of the CE or significantly diminish the conservation values of the property are either discharged or subordinated to the CE. If extinguishment, discharge, or subordination is not possible, the impact is taken into account in evaluating the conservation value of the property. Title insurance is purchased for all properties obtained fee simple. Appraisals are obtained for all properties for which MMLC funds are used for the purchase.

8. Recording

All land transactions, including CEs, are legally recorded at the appropriate governmental records office according to federal, state, and local law.

9. Recordkeeping

Records are kept as described in II. 2. above.

10. Purchasing CEs and Property

The Board will develop a procedure for each new acquisition that comes to the Board.

11. Selling Property

The Board will develop a procedure for each new sale situation that comes to the Board.

12. Transfers and Exchanges of Property

The Board will develop a procedure for each new transfer and exchange situation that comes to the Board.

X. Tax Benefits (Standard 10)

1. Tax Code Requirements

MMLC reviews each CE project to determine if, in the opinion of MMLC, it meets the Internal Revenue Code (IRC) requirements of §170(h) and so notifies the landowner. As stated in IX. 2. above, MMLC does not give tax advice. The provisions of IRC §170(h) are defined in Section 1.170A-14 of the Treasury regulations. Among other things, a CE must be “exclusively for conservation purposes” (IRC §170(h)). For a donation of a CE to be “exclusively for conservation purposes”, all encumbrances (for example, a mortgage) on the title (property) must be subordinated to the CE. Information on the tax benefits of the donation of a CE or land in fee is given to landowners in the MMLC documents, *Steps in the Protection of Land with a Conservation Easement Donated to MMLC* and *Steps in the Protection of Land by Fee Simple Donation of the Land to MMLC*.

Non-conservation land or other property that is donated to MMLC as a gift for MMLC to sell will be evaluated by MMLC and the landowner to determine if any part of the donation is deductible.

2. Appraisals

MMLC notifies donors of CEs or land who plan to claim a federal or state income tax deduction, or both, of the following general appraisal guidelines: (i) if the donated property has a value of more than \$5,000, a qualified appraisal [as defined by the Internal Revenue Service (IRS)] of the property must be done by a

qualified appraiser (as defined by the IRS), (ii) the appraisal must be done at the proper time in the donation process if the landowner intends to take a federal income tax deduction, (iii) the donor is responsible for the determination of the value of the donation and should obtain information on appraisals and appraisers from the IRS, particularly IRS Publication 561, (iv) the landowner must provide MMLC with a copy of the completed appraisal, and (v) IRS Form 8283 must be completed accurately and completely and the information must be supported by the appraisal and not raise significant concerns before MMLC can sign Form 8283.

3. No Assurances on Deductibility or Tax benefits

MMLC does not make any assurances about the: (i) deductibility of a donation, (ii) value of a donation, (iii) tax benefits of a donation, and (iv) accuracy of an appraisal.

4. Donee Responsibilities

MMLC complies with its responsibility to sign IRS Form 8283. MMLC signs after Section B, Parts I and III of the form are completed by the appropriate individuals. MMLC may refuse to sign Form 8283 if it believes the form has not been adequately completed or contains inaccurate information.

XI. Conservation Stewardship (Standard 11)

1. Funding Easement Stewardship

See VI. 6. of this document for this information

2. Baseline Document

MMLC ensures that an individual Baseline Document is prepared for each CE accepted. The Baseline Document is prepared before closing and is signed by the landowner and MMLC at closing. The Baseline Document describes the important conservation values protected by the CE and the relevant conditions of the property at the time the CE is accepted by MMLC. The Baseline Document consists of general and legal descriptions of the Protected Property, a brief history of the use of the land, a description of the soils, wetlands, prominent vegetation, specific flora and fauna, and distinctive natural features of the Protected Property, maps and photographs, and a depiction of all existing human-made modification.

3. Monitoring MMLC's Conservation Easements and Fee Lands

Typically MMLC monitors each property annually or as close as possible to annually. The monitors complete the form *Monitoring Form for Conservation Easements Held by MMLC* or *Monitoring Form for Land Owned Fee Simple by MMLC*, and the forms are distributed and filed as directed by the instructions on the forms. Monitors will not monitor properties in which they have a conflict of interest.

4. Landowner Relationships

MMLC goal is to develop and maintain good working relationships with landowners and neighbors of landowners of protected property. Information on property management and programs available for management of property will be distributed to landowners. MMLC promptly meets with new landowners and informs them about the CE, its meaning, and the MMLC's policies and monitoring procedures. Information on the monitoring form requests the landowner to inform MMLC when a change in ownership of the property is pending or has just occurred.

5. Enforcement of Conservation Easements and Fee Simple Lands

MMLC will deal with any violation of the provisions of a CE as described in the individual CEs. MMLC will deal with any problem that occurs on land owned fee simple by MMLC by Board members immediately discussing the problem and preparing a procedure for dealing with it.

6. Reserved and Permitted Rights and Approvals

The president of the Board or his or her designee will respond to landowner inquires and requests promptly. Any significant decisions that arise from these inquires and requests will be made by or with the approval of the Board.

7. Contingency Plans/Backups

If the situation arises that MMLC ceases to exist, the contingency plan for each CE held by MMLC is written in each individual CEs. The Board will develop policies as to the disposition of real estate owned by MMLC in the event it ceases to exist.

8. Contingency Plans for Backup Holders of Conservation Easements and Fee Simple Properties.

This item is under consideration by the Board.

9. **Amendments**

Any proposed amendment to a CE held by MMLC must be approved by no less than two-thirds (2/3) of all Board members at a regularly scheduled meeting of the Board. The amendment must comply with MMLC's conflict of interest policy and must not significantly diminish the overall conservation values of the CE.

10. **Condemnation**

The acceptance of any condemnation award relating to a property held by MMLC, whether a CE or property owned by MMLC, must be considered by the Board at a regularly scheduled meeting(s) of the Board. MMLC maintains documentation of the important conservation values of each CE and property owned by MMLC. MMLC makes every effort to prevent any net loss of conservation values under its protection.

11. **Extinguishment**

Any case of extinguishment of a CE held by MMLC must be considered by the Board at a scheduled meeting(s) of the Board. MMLC maintains documentation of the important conservation values of each CE and property owned by MMLC. MMLC makes every effort to prevent any net loss of conservation values under its protection.

XII. **Fee Land Stewardship** (Standard 12)

The Board develops specific management plans for each individual property it acquires in fee simple ownership as each is acquired. The management plan identifies the conservation goals for the property and describes how to achieve them. The plan is compatible with the public benefit mission of MMLC. Permitted activities and possibly some non-permitted activities are identified. A Preserve Steward will be appointed for each property MMLC owns fee simple. All fee properties will be monitored approximately annually.

Management plans for properties already acquired are described in *Management Plans for Properties Owned by MMLC*.

Appendices

Appendix I. **Documents and Website**

The documents below are available from the President of the MMLC Board or his or her designee. Current president is Paul Kindel; telephone, 517-332-3091 (H), e-mail, kindel@msu.edu. Current contact for the website is Ken Rosenman; telephone, 517-349-6231 (H), e-mail, rosenman@msu.edu.

1. *Handbook of Operations for MMLC Board Members* (Based on Land Trust Alliance Standards & Practices, 2004) (fGOD1b)
2. *Mid-Michigan Land Conservancy Articles of Incorporation*, June 19, 2003 (eSD2a)
3. *Mid-Michigan Land Conservancy Bylaws*, June 21, 2017 (eSD3b)
4. *Vision Statement* (See Appendix II.)
5. *Annual Plan* (fGOD2)
6. *MMLC Strategic Plan, 2017-21* (fGOD3b)
7. *Strategic Conservation Plan* (fGOD3c)
8. *Physical Location and Contents of Files of: (I) Properties with Conservation Easements Held by MMLC (II) Properties Owned by MMLC, (III) Properties Designated in Trusts and Will for MMLC and (IV) Others* (gLPD2a)
9. *Steps in the Protection of Land with a Conservation Easement Donated to MMLC* (nCEa2b)
10. *Steps in the Protection of Land by Fee Simple Donation of the Land to MMLC* (IFS2a1)
11. *Report to MMLC Board on Property Being Submitted to MMLC for a Conservation Easement* (nCEa2g)
12. *Report to MMLC Board on Property Being Submitted to MMLC for Fee Simple Ownership* (IFS2c)
13. *Steps in the Protection of Land by a Bargain Sale Purchase of the Land by MMLC* (IFS2a2)
14. *Land Information Form for Land Being Considered for Purchase by MMLC* (IFS2b2)
15. *Conflict of Interest Disclosure and Acknowledgement Statement* (See Appendix III.)

16. *MMLC Accounts and Funds* (eSD6a)
17. *Stewardship Endowment Fund; Source and Use of Assets* (eSD6b)
18. *Estimated Cost for the Preparation and Stewardship of a Conservation Easement* (eSD6c) also (nCEa2f)
19. *Criteria for Land Considered for Protection by MMLC* (gLPD1)
20. *Monitoring Form for Conservation Easements Held by MMLC* (nCEc1a)
21. *Monitoring Form for Fee Lands Owned by MMLC* (nCEc1b)
22. *Management Plans for Properties Owned by MMLC* (IFS3)

Appendix II. **Vision Statement**

(approved June 21, 2017)

Vision Statement

Mid-Michigan Land Conservancy's (MMLC) vision is that large tracts – 10,000 acres or more – of contiguous natural land and farmland be protected in mid-Michigan. Native plants and animals of the region and agriculture would thrive. Recreational activities, such as hunting, fishing, and camping, would be available and waters would be protected from pollution. There would be an appropriate balance between rural and urban areas so both can prosper. People would largely live in the cities, towns, and villages of the region.

Sufficient natural land and natural habitat would be protected so the native plants and animals of the region can maintain their populations. Riparian land, land in the 100-year flood plain, significant wetlands, and aquifer recharge land would all be permanently protected as would varied habitats, such as woodland, prairies, shrubland, land with rare plant and animal species, and land of particular scenic value or with unusual geological features.

Agriculture in the area would provide, or have the land available to provide, sufficient quality food to meet the needs of the urban, suburban, and rural populations of the area. The agriculture food products would be varied. The region's agriculture would also have sufficient land to grow crops that are used for production of biofuels, bioplastics, and other products made from plant materials. Agriculture would support farm families on a long-term, sustainable basis. Agriculture would be an important provider of jobs and would be sensitive to the environment. Agriculture operations would be performed so that that water resources are recharged, ecosystems are maintained, pollution is minimal, and tourism is enhanced.

Protection of farmland and open space land would encourage urban development and discourage sprawl development. Investment in public infrastructure, particularly water and sewer, would be directed primarily toward supporting smart growth goals in the urban and suburban areas

Appendix III. **Conflict of Interest Policy**

(approved June 21, 2017)

Mid-Michigan Land Conservancy Conflict of Interest Policy

Trustworthy decision-making and ethical behavior on the part of all persons associated with Mid-Michigan Land Conservancy (MMLC) are expected. The MMLC Board of Trustees hereby adopts the following policy conflict of interest policy to help achieve this expectation.

Preamble

MMLC strives to maintain the highest levels of integrity, credibility, confidence, and trust with members, donors, governmental agencies, other organizations, and the public with which it works and serves. It is essential to protect MMLC's reputation for professionalism, objectivity and fairness by identifying and appropriately dealing with actual, potential, or perceived conflicts of interest and avoiding private inurement.

All persons associated with MMLC must always remember that their decisions and activities are governed by overriding requirements of honesty, fair dealing, integrity, fidelity, and sound business judgment.

In all operations and transactions MMLC complies with all applicable State of Michigan and Federal laws and regulations.

Scope

This policy applies to all MMLC Board members, employees, trustees, advisors, volunteers, and others that may have access to information about MMLC actions not available to the general public.

This policy applies to any transaction, operation, donation, contract, project, issue, matter, or appointment which, whether or not directly involving a Covered Person (as defined below), is known or likely to involve a Covered Person or Related Person (as defined below).

Definitions

Covered Person: For purposes of this policy, “Covered Person” means a MMLC Board member, employee, trustee, advisor, or relative of a Board member, a company that employs a MMLC Board member, employee, trustee, advisor, or relative of a Board member, a volunteer that has a direct personal or pecuniary interest, or both, not common to the members of the Board.

Related Person: For purposes of this policy, “Related Person” means a relative of a Covered Person as defined by the Internal Revenue Service, substantial contributors, and a person or entity with a financial or personal relationship with a Covered Person which might influence a Covered Person’s judgment on matters within the scope of this policy.

Conflict of Interest

A conflict of interest exists:

- when a Covered Person or Related Person has a direct, material, personal or pecuniary interest not common to the other members of the Board in a transaction or project under consideration by MMLC;
- when a Covered Person or Related Person proposes to act on any issue, matter, or transaction in which MMLC has an interest, while that Covered Person or Related Person has an interest separate from that of MMLC.

A conflict of interest may also exist in situations in which there is an appearance that a Covered Person or Related Person:

- is utilizing, for his or her own benefit, information proprietary to MMLC or not available to the general public;
- is acting in their own interests rather than the best interests of MMLC;
- is receiving favorable treatment by MMLC because of their status as a Covered Person or Related Person.

General Guidelines

All Covered Persons shall avoid conflicts of interest involving their duties to MMLC and other activity in which they are financially or otherwise interested, including but not limited to any other interest or organization to which they have a duty.

It is expected that all Covered Persons will conduct themselves under principles of honesty and fair dealing between themselves and MMLC. Covered Persons shall not use their position or knowledge gained during and from their association with MMLC for their private benefit or the benefit of other persons or organizations, nor to otherwise obtain an unfair advantage over any aspect of their dealings with MMLC.

Obligations of Covered Persons

Each covered person is obliged:

1. to complete, sign, and return to MMLC a Conflict of Interest Policy Disclosure and Acknowledgement form, as may hereafter be amended by the MMLC Board of Trustees;
2. to disclose to the Board of Trustees and appropriate staff the existence of any actual, potential, or perceived conflict of interest;
3. to abstain from making recommendations to trustees, officers, employees, or committee members on any issue, matter, or transaction in which themselves or a Related Person has an actual, potential, or perceived conflict of interest, unless specifically requested to do so after disclosure of the conflict;
4. to reclude themselves from discussions or decision-making on any transaction, contract, project, issue, matter, or appointment with a real or potential conflict of interest;

5. to physically absent themselves from the room when there are Board and committee discussions on any issue, matter, or transaction involving the actual, potential, or perceived conflict of interest;
6. to abstain from voting on any such issue, matter, or transaction involving the actual, potential, or perceived conflict of interest and to physically absent themselves from the room when such voting occurs; and
7. not to monitor properties in which they have a conflict of interest.

Obligations of the Board of Trustees in Conflict of Interest Situation

When a transaction, contract, appointment or project of MMLC involves an actual, potential, or perceived conflict of interest with a Covered Person or Related Person, the Board shall approve such transaction, contract, appointment or project only after making specific findings recorded in the minutes of a meeting of the Board of Trustees that:

1. the transaction, contract, or project is approved with the full knowledge of the Board of Trustees of the financial or other benefit to the Covered Person or Related Person; and
2. when the Covered Person is a Trustee, such Trustee did not participate in the vote approving the transaction, contract, appointment or project.

Perceived Conflicts of Interest

Even in the absence of an actual conflict of interest, perceived conflicts of interest may jeopardize fulfillment of MMLC’s mission. All Covered Persons should undertake reasonable steps to avoid conduct which may create a perceived conflict of interest. If there is disagreement between the Covered Person and MMLC whether a Covered Person should or should not participate in discussions or decision-making on a transaction, contract, project, issue, matter, or appointment, the Board of Trustees shall conclusively decide whether or not the Covered Person should or should not participate in any discussion or decision-making on the transaction, contract, project, issue, matter, or appointment. The decision of the Board of Trustees in this regard is final and binding, not subject to judicial review, but may be revised, limited, or modified by the Board of Trustees at any time.

**Mid-Michigan Land Conservancy
Conflict of Interest Disclosure and Acknowledgement Statement**

Disclosure(s)

Write in the nature and extent of all conflicts or potential conflicts. If none, write in “None”.

Following is an example only; do not include this in your signed statement unless relevant: As of _____ (give date) I am involved with real estate transactions, including ownership, fundraising, other organizations, or other activities which may give rise to an actual, potential, or perceived conflict of interest with MMLC. Give name of the transaction, organization, activity, etc. where there is or may be a conflict of interest.

Acknowledgement

I have read and agree to abide by the current Mid-Michigan Land Conservancy Conflict of Interest Policy.

Signature: _____

Date: _____

Printed Name: _____