

Denman Conservancy Association Policy on Endowment Funding for Perpetual Support of Conservation Properties

Purpose

The purpose of this policy is to outline the objectives and principles by which the Denman Conservancy Association's endowment funds are established, maintained, and administered for the perpetual support of conservation properties.

Background

The Canadian Land Trust Alliance Standards and Practices requires that land trusts adopt and implement a plan to build and maintain dedicated or restricted funds sufficient to cover the long-term costs of stewarding and defending the land trust's land and covenant agreements. Denman Conservancy Association (DCA) has established an endowment fund set aside to ensure DCA's sustainable future. The dedicated funds in the endowment are intended to ensure DCA's ability to steward conservation agreements, manage DCA owned lands for conservation purposes and to defend those lands in perpetuity.

Policy

The Endowment Fund is invested and managed by professional money managers (at this time the Vancouver Foundation.)

When accepting donated lands for conservation, DCA will ensure that 10% of the property's assessed land value will be raised within 5 years to invest in the Endowment Fund.

When DCA is fundraising to purchase lands for conservation, unless otherwise required by conditions of a granting organization, DCA will ensure that an additional 10% of the property's assessed land value will be raised within 5 years to invest in the Endowment Fund.

As part of a conservation covenant donation, DCA requires a monetary donation to the Endowment Fund which is intended to support the costs of monitoring the covenant and assisting in ensuring the future sustainability of DCA.

- The amount of the monetary donation may be based on the estimated cost of monitoring the covenant area over 20 years plus contingencies, or
- 10% of the covenanted property's assessed land value.

At the request of a covenant donor, when the costs of the endowment donation would cause financial hardship for the donor, DCA may assist with the endowment through a cost sharing agreement.

In order to continue to build the endowment fund, DCA strives to reinvest its interest and conducts annual fundraising intended to fully fund the management of DCA owned

and covenanted land. In some circumstances and with the support of the majority of the Board, portions of the annual interest may be used for operations and to assist in the costs of special projects and in securements.

The Fund principal cannot be spent except in extraordinary circumstances, which would require the support of 75% of the membership attending a special meeting.

Adopted as amended November 20, 2023