
Practice 5C: Accurate Representations

- All representations made in promotional, fundraising, and other public information materials are accurate and not misleading with respect to the organization's accomplishments, activities and intended use of funds. All funds are spent for the purpose(s) identified in the solicitation or as directed in writing by the donor.
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Accurate representations are a basic rule of ethical fundraising. For prospective donors to make a well-informed decision about which organizations to support and how much to contribute, they need clear and accurate information about the organization's purposes and about the specific activities for which funds are being requested. In turn, land trusts need to spend those funds for those purposes the organization has identified. Land trusts should not be misleading with respect to their involvement in any project.

Representations

According to the [Wise Giving Alliance](#), “a fund raising appeal is often the only contact a donor has with a charity and may be the sole impetus for giving.” Its standards emphasize that solicitation and information materials be “accurate, truthful, and not misleading, both in whole and in part.”

Providing detailed, factual information also generally enhances an organization's fundraising success. Such details give potential donors a clearer understanding of the land trust's effort; at the same time they inspire more confidence in the organization. As one veteran direct mail consultant points out, when an organization can provide “a complete and adequate description of the work, such detail makes for more persuasive copy.”

The following specific guidelines are gathered from fundraising experts and the standards of the Wise Giving Alliance.

Accuracy and completeness

- **Don't exaggerate accomplishments.** A land trust should not make exaggerated claims about what it has accomplished in the past or its role in a project.
- **Avoid fictionalized cases.** In general, land trusts should not use fictionalized or composite stories or case histories unless they are representative of the situation and unless the land trust indicates that the facts have been changed.
- **Provide the opportunity to obtain additional information.** The standards suggest that if time or space limitations prevent inclusion of sufficient detail, the organization should identify a source for more written information.

Representations about activities/uses of funds

- **Don't over-promise.** Land trusts should not make exaggerated claims about what the organization will accomplish in the future with the aid of the donor's gift.
- **Describe solutions as well as problems.** Materials should not describe an issue, problem, or need while failing to clearly describe the programs or activities for which funds are being requested.
- **Specify whether funds are restricted or general operating.** Land trusts should be clear about whether funds will be used for general purposes or restricted projects. Membership appeals or other campaigns for general support should indicate that the contribution will go to aid the general operations of the land trust. Appeals for special projects should explicitly describe the project.
- **Consistency with financial statements.** Be careful about the financial information included in an appeal. A land trust should be sure such statements can be backed up by figures in its financial statements or budget.
- **Budget should reflect fundraising need.** Because budgets deal with projected expenditures, they are an especially important tool for helping to substantiate how the land trust intends to use funds it has raised. The Wise Giving Alliance standards state that budgets should clearly identify programs mentioned in appeals and their projected expenditures.

Representations about donor's obligations

- **Unordered items and surveys.** A land trust should not send unordered items or merchandise with an appeal unless it clearly specifies that they are gifts and that the recipient is under no obligation to pay for or return them. Similarly, if the land trust uses a survey as a fundraising device, it should clearly indicate that the recipient has no obligation to return it.

Use of Funds as Specified

Land trusts need to specify what funds are being raised for, and then use the funding for that purpose. Problems can arise, however, in situations such as the following:

- The land trust has a fundraising target to buy a piece of land, and either falls short of the goal and is unable to complete the project, or exceeds the goal and has surplus contributions on hand.
- A donor wants to make a contribution, restricted for a purpose that does not fit with the land trust's goals, objectives, or programs at the time.

Land trusts can deal with these potential issues constructively, as shown in the following

examples.

Dealing with Potential Surpluses and Shortfalls

- **Surpluses.** If the land trust is raising funds for a restricted purpose and only needs a certain amount to accomplish its goal, it can specify what will happen to any surplus. For example, some land trusts indicate in their solicitations that any funds raised in excess of those needed to acquire a particular piece of property will go into a fund to maintain that land or develop its recreation potential.
- **Matching funds.** Similarly, if the trust is raising funds to meet a match (in which, for example, every dollar given will be matched, and thereby doubled), it should indicate the total that must be raised to meet the match and what will happen to donations received in excess of that.
- **Shortfalls.** In the event that a match is not met, or a goal for property acquisition is not reached, some land trusts offer donors the choice of allowing the land trust to apply the funds to the organization's other work or of having their contributions returned. (This approach works best if the land trust is dealing with a limited number of donors, rather than with a mass solicitation.)
- **Pledges.** If a land trust is really unsure of its ability to raise sufficient funds to go ahead with a project and needs to test the waters, it can ask for pledges, rather than outright donations. For example, a trust that needs to raise \$1 million within a fairly short period to buy a threatened parcel might collect binding written pledges of contributions, with the understanding that the trust will call in the pledges only if it is clear that the trust will make its goal. This keeps the land trust from getting into the difficult position of raising money for a promised project that might not materialize.
- **Break the project into pieces.** If there is a real risk of not being able to raise the funds needed for a large property, the land trust might break the project into more manageable units. Rather than trying to raise \$1 million to buy 300 acres, for example—and risking the possibility of not being able to follow through on that promise—the land trust might break the campaign into three 100-acre parcels if there are sufficient conservation values on each parcel. As funds are raised for each 100-acre section, the trust moves on to the next phase of the campaign. These multiple deadlines can also serve as incentives to donors.

Ultimately, if the land trust finds itself with money raised for a particular purpose and is unable to use it for that purpose, it should ask the donor for permission to use the money for another purpose. Donors rarely want their money returned, but a land trust should be prepared to do so if necessary.

Donor-Restricted Gifts

Along with spending funds for purposes the organization has identified, trusts are often faced with the issue of whether or not to accept funds (or land) for purposes that a particular donor specifies. Problems arise when the donor wishes to make a gift for a purpose that would deflect the land trust from its mission, or—in the case of land donations—of parcels that do not line up with the trust’s priorities or meet its standards.

The land trust needs to consider whether it really will use the money or land donation as the donor intends. If not, the land trust should explore what the donor wants to accomplish through the gift, while at the same time helping the donor to better understand the land trust’s mission and programs. Through this process, the land trust and the donor may arrive at a mutually agreeable way to redirect the gift. However, if the land trust cannot honor the donor’s wishes, it should refuse the gift. It is more important for the land trust to adhere to its mission and retain the giving community’s trust than to bring in any one gift—even a substantial one—that may jeopardize the mission or the public’s trust.

(See practice 8B for further discussion of turning down gifts of land or easements.)

Links to Helpful Resources and Publications

- [Standards for Charity Accountability](#), Wise Giving Alliance, Better Business Bureau, 2003.
- [Wise Giving Alliance](#) – part of the Better Business Bureau. The Alliance reports on nationally soliciting charitable organizations that are the subject of donor inquiries.

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