

UNIVERSITY OF PENNSYLVANIA SCHOOL OF SOCIAL POLICY AND PRACTICE

(ALMOST) EVERYTHING YOU NEED TO KNOW ABOUT NONPROFIT LAW
NPLD 562 FALL SEMESTER 2021

September 2 – November 11, 2021

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Thursday, September 2, 2021

I. “WHAT’S HOT IN NONPROFIT LAW” Current Issues and Trends

A. What Do We Mean When We Say Nonprofit? (RRP)*

If you don’t know what box you are in,
You don’t know what rules apply

Citizens United and political activity

B. Size and Scope of the Sector

C. Charities and Churches

D. Contract Failure and the Need for Trust - Transparency

* Articles on *Nonprofit Issues*® Website. RRP means Ready Reference Page.

- E. Some Key Issues facing the Sector**
 - 1. Federal Issues**
 - Tax law changes
 - Johnson Amendment
 - Regulation of 501(c)(4) organizations
 - 2. State Issues**
 - Local Taxation and PILOTs
 - National Rifle Association

II. Obtaining and Maintaining 501(c)(3) charitable status

- A. Type of entity**
- B. Charitable purpose (RRP)**
 - IRS Has Generally Expansive View of “Charitable”*
 - What Constitutes “Church” Eligible for Exemption*
- C. Private inurement, private benefit (RRP)***
 - Charities May Not Confer Private Benefits*
- D. Lobbying and Electioneering (multiple RRP)**
 - Lobbying Rules Create Opportunity for Charities*
 - Should Your Organization Elect Under 501(h)?*
 - IRS Issues New Guidance on Electioneering*
- E. Excess benefit taxes (RRP)**
 - Charities Must Avoid Excess Benefit Transactions*
- F. Unrelated business income tax (UBIT) (RRP)**
 - Nonprofits Often Worry About UBIT*

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Thursday, September 16, 2021

I. Organizational Structure and Fiduciary Duties

- A. Structure and Procedures (RRP)**
 - The Key Question — Whose Organization Is It?*
- B. Fiduciary Duty (RRP)**
 - Directors Often Fear Risks of Personal Liability*
- C. Term Limits (RRP)**
 - Term Limits Are For Cowards*
- D. Volunteer and Board Liability (RRP)**
 - Federal Law Protects Nonprofit Volunteers*
- E. Deepening Insolvency (Lemington Home case)**
 - Court reverses punitive damages against directors*
- F. Standing to sue**

II. Governing Documents

- A. Articles of Incorporation Establish Basic Form (RRP)*
 - B. Bylaws Function as “Constitution” of Nonprofit Corporations (RRP)*
 - C. Sole Member Bylaws Can Protect Founder of Nonprofit (RRP)*
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Thursday, September 30, 2021

I. Student Presentation of Bylaw papers

II. Understanding Private Foundations, DAFs, Other Forms of Philanthropy

- Foundations Must Avoid Excess Business Holdings (RRP)*
- Foundations May Be Source of Venture Capital (RRP)*
- Outflanking Foundation’s Public Charity Defense (RRP)*
- Donor Advised Funds Still Compare Well (RRP)*
- Calculating Public Support Percentage (RRP)*
- New Schedule A Reflects Change in Public Support Rules (RRP)*
- Supporting Organizations Qualify as Public Charities (RRP)*
- The Charges Against the Trump Foundation (RRP)*
- Power Point presentation slides

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Thursday, October 14, 2021

I. Charitable Giving – Are These Gifts Deductible?

- Charities Must Set Value on ‘Quid Pro Quo’ Gifts (RRP)*
- IRS Requires Substantiation of Contributions (RRP)*
- IRS Finalizes Regs Covering Sponsorships (RRP)*
- Planned Giving Primer (RRP)*
- Charitable Giving power point

II. Understanding the Form 990 Tax Information Return (RRPs)

- New “Core Form” 990 Presents Revised Look (RRP)*
- 30 Key Issues on the Form 990 (RRP)*
- IRS Explains Common Mistakes on Form 990 (RRP)*
- Form 990 on IRS.gov website
- Form 990 Schedule A on IRS.gov website

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Thursday October 28, 2021

I. Student Presentation of Form 990 papers

II. Endowment Issues

- Uniform Management of Institutional Funds Act (RRP)*
- Uniform Prudent Management of Institutional Funds Act (RRPs)
- New UPMIFA Sets Rules for Management of Charitable Funds (RRP)*
- Pennsylvania Increases Payout Permitted from Endowment Funds*

III. Mergers and Acquisitions

- Mergers and Acquisitions Can Take Many Forms (RRP)*
- Mergers and Affiliations Require 'Due Diligence' (RRP)*
- Charities Often Restructure to Protect Assets (RRP)*

IV. Charitable Solicitation Registration

- Compliance Assessments Protect Charities (RRP)*

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Thursday November 11, 2021

I. Ethical Issues for nonprofits

II. Board Meeting of L.O.S.T

Take Home final exam due 5 p.m. Wednesday, November 24, 2021.

Rev: 5/5/21.