

# **91:646 Nonprofit and Philanthropic Organizations**

Fall 2010  
Mondays, 2:30 P.M. – 4:30 P.M.  
115 BLB

## **Course Requirements**

### **Attendance**

Class attendance is required. A student may miss no more than two classes during the fall semester. If you need to miss class because of serious illness or religious observance, please advise Professor Koontz in advance, if possible. The final grade for students who miss more than two classes will be lowered one full grade.

### **Writing Assignments**

There is one writing assignment required for the course. There is no midterm or final exam.

Requirement of the course: Create a not-for-profit organization. This consists of five documents. The first four are the legal documents necessary to form the corporation and get the tax-exempt status of the not-for-profit:

1. Articles of Incorporation
2. IRS Form 1023
3. Statement of Purpose/Mission
4. By-Laws

The fifth document of the class's project describes a variety of the legal issues which a not-for-profit faces:

Memorandum to the not-for-profit organizers from their counsel concerning all of the following issues:

1. Constituencies
2. Directors/officers
3. Strategic planning
4. Satisfaction of legal requirements, both regulatory and tax
5. Potential liabilities
6. Funding
7. Accountability and ethics
8. Special problems arising from particular mission

The subject of the project should be approved by the course instructors.

A ten to fifteen page memorandum is required for those of you who signed up for two hours of credit in this seminar. This page length requirement applies only to the memorandum. The articles of incorporation, mission statement, Form 1023 and bylaws are not included in the page length required for the memorandum length.

For those of you who signed up for 3 hours (for 1 writing credit), you need to write a memorandum of 20 to 25 pages in length.

If you are signed up for 2 writing credits (a total of 4 credits), your memorandum length must be at least 40 pages.

Do not write for more than a total of four credits without consulting the professors (paper length if beyond four credits will be 20 additional pages per credit).

Final grades will be determined on the basis of the paper. There is no final exam.

All writing assignments are to be typed (double-spaced) with one-inch margins all around, Times New Roman or Courier font size of no more than 12 point with page numbers.

The writing assignment is due at the end of class on the final day of class. Absent the approval of Professor Koontz, late assignments will not be accepted and the student will receive a 0 for that assignment.

For students seeking **writing credits** for the course, there must be a **draft of the paper** turned in by **October 25, 2010**, and an appointment made to meet with Professor Koontz to review the draft. Draft paper reviews will be November 9, 10, and 12.

### **Academic Integrity**

Academic dishonesty will not be tolerated. Cheating on an assignment will result in a 25% loss in your final grade. In this class, the following behaviors constitute cheating: working together with a classmate on an assignment that has been specifically designated as an individual assignment and lifting passages from other sources (including other students) and placing them in your papers without referencing the original source.

### **Academic Accommodations**

Please contact Professor Koontz as soon as possible if you have a disability or condition that may require some modification of seating, testing or any other class requirement so that appropriate arrangements can be made. If you have any emergency medical information about which the instructors should know, or if you need special arrangements in the event the classroom must be evacuated, please let Professor Koontz know. Additional assistance is available from the Office of Student Disability Services (3100 Burge Hall); 319-335-1462; <http://www.uiowa.edu/~sds>.

### **Contact with Professors**

**Willard L. Boyd**

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**Richard F. Koontz**

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Office Hours: By appointment

**Mark Sidel**

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Office Hours: Posted on Professor Sidel's door, or by appointment

**Assigned Text**

The required material for the course is James J. Fishman and Stephen Schwarz, *Nonprofit Organizations: Cases & Materials*, 4th ed. (2010) (referred to as "Fishman" below).

Analogous page numbers for the 3<sup>rd</sup> edition are supplied in parentheses for some sessions.

"Principles and Practices" refers to the *Iowa Principles and Practices for Charitable Nonprofit Excellence*, available on the website of the Larned A. Waterman Iowa Nonprofit Resource Center, <http://inrc.continuetolearn.uiowa.edu/>, at <http://inrc.continuetolearn.uiowa.edu/updates/P&P%20w%20color2008.pdf>.

**Schedule of Classes and Reading Assignments**

1. **Tuesday, August 24, 2010** Willard Boyd

**Course Overview and the Role, Nature, and History of Charitable Nonprofit Organizations in Iowa and the United States, their Constituencies and Missions**

**Readings:**

Fishman, 19-45

*Iowa Principles and Practices for Charitable Nonprofit Excellence* pp. 4-5, Preamble and Role and pp. 7-8, Section III, Mission Statement.

Look at Mission/Vision Statements on their websites of the Cedar Valley United Way, <http://www.cedarvalleyunitedway.org/> (see About Us, then Mission), and the United Way of East Central Iowa (see About, then Vision/Mission and other information).

2. **Monday, August 30, 2010**      **Mark Sidel**

**Charitable Nonprofit Organizations in Action**

**Readings:**

Fishman, 1-19

*Report of the Governor's Task Force on the Role of Charitable Nonprofit Organizations in Iowa* available on the website of the Larned A. Waterman Iowa Nonprofit Resource Center, <http://inrc.continuetolearn.uiowa.edu/>.

**\*Description of kind of nonprofit to be created due\***

3. **Monday, September 6, 2010**

**No Class – Labor Day**

4. **Monday, September 13, 2010**      **Richard Koontz**

**Statutory Corporate Law (Iowa Code 504), Nonprofit articles of incorporation and bylaws**

**Readings:**

Fishman, 48-72

Starting the Charitable Nonprofit, Section II (Principles and Practices), “Articles of Incorporation,” “Articles of Incorporation Issues” “Bylaws,” and “Bylaw Committees,” Statement of Change of Registered Agent”

([http://www.sos.state.ia.us/pdfs/buspdfs/static/635\\_0119.pdf](http://www.sos.state.ia.us/pdfs/buspdfs/static/635_0119.pdf))

**Note:** The Larned A. Waterman Iowa Nonprofit Resource Center monograph on starting a charitable nonprofit is available in the College of Law library.

5. **Monday, September 20, 2010**      **Willard Boyd**

**Role of Members, Directors and Officers, and CEOs**

**Readings:**

Fishman, 123-134

Board of Directors, Section V and VI (Principles and Practices)

**Note:** The Larned A. Waterman Iowa Nonprofit Resource Center monograph on board governance is available in the College of Law library.

6. **Monday, September 27, 2010** Willard Boyd

**Policies and Procedures, Management, Budget, Programming, and Strategic Planning**

**Readings:** Section IV, VII, IX & XII (Principles and Practices)

**\*Mission Statements Due\***

7. **Monday, October 4, 2010** Richard Koontz

**Fiduciary Duties, Officers and Directors**

**Readings:**

Fishman, 134-137, 145-157, 171-178, 199-200, (Principles and Practices) V, F

8. **Monday, October 11, 2010** Richard Koontz

**Basic Issues of Nonprofit Taxation**

**Readings:**

Fishman, 294-314, 315-319, 345-350

9. **Monday, October 18, 2010** Richard Koontz

**Tax and Regulatory Basics of Fundraising**

**Readings:**

Fishman, 828-834, 837-845, 858-867, 876-886

Financing and Funding, Section VIII (Principles and Practices)

10. **Monday, October 25, 2009** Richard Koontz/Willard Boyd

## **Advocacy Issues and Regulation**

### **Reading:**

Fishman, 474-478, 497-506

### **\*Draft Papers (for writing credit) Due\***

11. **Monday, November 1, 2010**      **Willard Boyd/Richard Koontz**

### **Ethics and Accountability**

#### **Reading:**

Accountability and Compliance, Section XIII, Iowa Principles and Practices for Charitable Nonprofit Excellence

12. **Monday, November 8, 2010**      **Susan Hagan and Andrew Sheehy**

### **Planned Giving and Fundraising**

#### **Readings:**

Fishman, 890-898

13. **Monday, November 15, 2010**      **Mark Sidel**

### **Philanthropic Organizations: The Role of Community Foundations**

#### **Readings:**

Fishman, 703-721

Read the website of the Community Foundation of Johnson County and the Foundation's 2009 Annual Report, available here: <http://communityfoundationofjohnsoncounty.org/>

14. **Monday, November 22, 2010**      **Mark Sidel**

### **Philanthropic Organizations: The Role of Private Foundations**

#### **Readings:**

Fishman, 721-730, 764-773 (not including problems), 781-799 (not including problems)

Read the website for a private foundation of your choosing, such as the Ahrens Foundation (Iowa), Hall-Perrine Foundation (Iowa), Ford Foundation (New York), Gates Foundation (Washington), or another one

15. **Monday, November 29, 2010**      **Richard Koontz**

**UBIT (Unrelated Business Income Tax)**

**Readings:**

Fishman, 591-605, 627-633

**\*Nonprofit Startup Project due\***