

This Webcast Will Begin Shortly

If you have any technical problems with the Webcast or the streaming audio, please contact us via email at:
splemoderator@smartpros.com

Thank You!

Readying Your Nonprofit for Recovery – Strategies and Steps for Renewal

November 19, 2009 – 2 p.m.

Presented By:

The Nonprofit & Religious Organizations Group
(Mark Chopko, Chris Scarpa & Mike Roynan)

Stradley Ronon Stevens & Young, LLP

www.stradley.com

**I. Introduction of Panelists/Topics by
ACC Moderator – Jim Woehlke,
Past Chair, Nonprofit
Organizations Committee**

II. Setting the Stage

1. Impact and challenges of recession
2. Is it an opportunity?

- A. Impact of Recession on Nonprofits –
 - 1. Longer to arrive; longer to leave
 - 2. Lifeline issues
 - 3. Depends on size, shape, industry, community

B. Some implications

1. More claims – unemployment, medical, fidelity, disability
2. Squeeze operational cash flow – “borrowing” from accounts
3. Deferred purchases/maintenance
4. Use of volunteers

C. An opportunity?

1. Size
2. Structure
3. Mission

4. Financing

- i. With historically low interest rates is it time to refinance your existing debt?
- ii. Can you afford to purchase your existing fixed rate bonds back at a discount?
- iii. Avoiding conduit issuers and going directly to your bank or a smaller bank – an opportunity under the American Recovery and Reinvestment Act of 2009

- D. Goal – Not just surviving but thriving
 - 1. Stewardship
 - 2. Prudence
 - 3. Creativity

III. Selected Planning Concepts

- A. Structure
- B. Mission
- C. Exemptions
- D. Funding
- E. Partners

- A. Possible Structures – Considerations
 - 1. Subsidiaries that align income streams, operations, and/or risks
 - 2. Express trusts/trust accounts
 - 3. Fundraising entities/donations
 - 4. Documenting and respecting restrictions

I. Possible Structures – Cautions

- I. Mission and Direction – Considerations
 1. Can you do everything?
 2. Are you following funding or deviating from core mission?
 3. Are you doing what you do best?

- I. Mission and Direction – Cautions
 1. AG review
 2. IRS review
 3. Unrelated Business Income

- I. Maximizing Exemptions
 1. Sales tax
 2. Unemployment
 3. Real estate

- I. New Sources of Funds
 1. No stimulus for nonprofits but ...
 2. Targeted tax credits or other incentives (but see note on deviation)
 3. Strong business plans – for bankers and donors

- I. Tax and tax exemption
 1. Qualification
 2. Governance and their best practices
 3. New 990s

- H. Partnerships – Trim waste and duplication
 - 1. “Overhead”/housekeeping collaboration (HR, accounting, general services, investment advice)
 - 2. Lead agency
 - 3. Fund-raising

- I. Partnerships – Joint Ventures
 1. Group purchasing – commodities (computers, supplies)
 2. Group insurance – joint venture - relatedness

IV. Summary

- A. Secure income streams,
isolate risk, protect assets
- B. Engaged and committed
workforce
- C. Laser focus on core mission
- D. Stewardship, Prudence,
Creativity, Patience

Questions/Comments?

Thank you for attending another presentation from
ACC's Desktop Learning Webcasts

Please be sure to complete the evaluation form for this program as your comments and ideas are helpful in planning future programs.

If you have questions about this or future webcasts, please contact ACC at accwebcasts@acc.com

This and other ACC webcasts have been recorded and are available, for one year after the presentation date, as archived webcasts at <http://webcasts.acc.com>.

You can also find transcripts of these programs in ACC's Virtual Library at <http://www.acc.com/search/cfm>