

Understanding the Form 990 and its Preparation Prerequisites

CPE Credits: 2.5 [expanded from prior years' 2.0 to allow more relaxed pace]
Program Level: Overview

Description:

This "initiation to" the Form 990's mechanics and importance will help participants survive the onslaught of the Form 990's force-field! 80+% of the Form's inputs and definitions fall outside of statutes and Regulations and their breadth can overwhelm novices and even experienced preparers. This course provides an easy-to-digest synopsis of the entirety of the Form's key definitions, surveying and explaining the pertinent mechanics driving Form 990 preparation tasks.

Packed with practical tips and perspectives on data gathering, this course is a "must" gateway for beginning and intermediate preparers that will allow participants to appreciate the 990's underlying parameters and somewhat convoluted disclosure paths.

Program Content:

- Overview of the Form 990's design and goals behind the Core Form's and Schedules
- Address of the key factors that make a third-party organization a "related organization"
- Exploration of the key definitions comprising Part VII-A's managers (i.e., "TDOKEs"): Trustee/Director (TD)/Officer (O)/Key Employee (KE) and "High 5s", two of which categories are based upon the definition (and magnitude) of "reportable compensation"
- Understanding the definitions of "family member", "business relationship", "independence" and "35% controlled entity which are central to both Core Form Part VI and Schedule L
- Sequencing of the form's preparation tasks and appreciating who will likely be the providers of relevant caches of data
- Need for 990-filers to engage a filer's Board of Directors in understanding what the completed Form 990 conveys to the public and regulators

Learning Objectives:

- Appreciate the public relations and regulatory impact of the 12-page Core Form and the most-common substantive-topic Schedules
- Identify the circumstances "triggering" each of the 15 substantive-topic Schedules
- Master the six key Glossary Terms that all 990 preparers must be able to apply
- Embrace the impact of Board member's failure to be "independent" when they are the subject directly or indirectly, of Schedule L reporting
- Discern the variety of parties most likely to be able to provide preparers with the data necessary to correctly disclose information relating to the 990's inquiries
- Recognize the value of, and discern approaches appropriate to, public relation sensitive disclosures and presenting the completed form to a filer's Board

Who should attend: Public accounting tax and audit staff, nonprofit organization's Treasurers, accountants, CFOs, and other compliance advisors

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Prerequisites: Familiarity with the nonprofit sector helpful, but not necessary