



Winter 2005

Hello Everybody,

Welcome to the Magpie, our long awaited gad about newsletter for Region 6, where we anticipate the ultimate bright shiny object... Las Vegas. We will hold our Regional Conference there April 19, 20 & 21, 2006. Look for your registration papers in the mail or <http://www.matrixparents.org/Region6/Conference2006.html>

In this issue we feature:

- Our Region 6 website,
- IDEA 2004: Response to Instruction quick sheet resources on Rtl,
- Multicultural Section: New materials from the Urban Institute,
- Tech Corner: Learn by Doing - Survey Monkey
- Management Moment:: a quick refresher on Non Profits and the IRS

Region 6 Website

Where you can find our Multicultural Network conference call notes, with additional materials posted for your perusal

<http://www.matrixparents.org/Region6/ConfCalls.html>

Often, our speakers provide us with information that adds to outreach strategies. In addition, we have links that can be of use when grant writing at

<http://www.matrixparents.org/Region6/DisabilityData.html>

And

<http://www.matrixparents.org/Region6/NonProfitLinks.html>

There are, of course, back issues of the Magpie

<http://www.matrixparents.org/Region6/ConfCalls.html>

We send out monthly mailings, with materials that have the heft to hold in your hand, but we now add the convenience of online access (all the better to distribute to your staff): <http://www.matrixparents.org/Region6/Magpie.html>

IDEA 2004

RESPONSE TO INTERVENTION QUICK SHEET

The Big Picture

“The Central Role of Instruction in NCLB and IDEA” is an RtI primer PowerPoint:

<http://www.dssc.org/frc/Witt-%20RTI%20NCLB%20IDEA%20Blurring%20the%20Line%20Washington%20D.C.ppt#257,1,RTI:%20%20The%20Central%20Role%20of%20Instruction%20in%20NCLB%20and%20IDEA>

The regional resource centers topical page includes their very readable RtI publications, and NASDE’s latest LD & RtI policy discussion.

<http://www.wested.org/nerrc/rti.htm>

National Research Center on Learning Disabilities

<http://www.nrclid.org/>

Where there is a dense article on what makes good response to instruction (including time frames, data collection, fidelity to the model being used etc.)

<http://www.nrclid.org/publications/papers/mellard.shtml>

Schwab Learning articles for parents, interviewing NCLD researchers.

<http://www.schwablearning.org/articles.asp?r=1056>

Details for Reading Instruction

An example of a county office of education literacy page, Kevin Feldman's reading corner at

<http://www.scoe.org/content.php?PageId=171>

The Florida Center for Reading Research including methodologies used in Florida. Check out the great rubric for reading programs - what grades they are designed for, instruction in what areas of reading i.e. fluency, phonemic awareness etc.

<http://www.fcr.org/FCRRReports/table.asp>

The Partnership for Reading website, with access to research

<http://www.nifl.gov/partnershipforreading/about/about.html>

Multicultural Activity

We offer two pieces from the Urban Institute that address immigration and low English proficiency under the No Child Left Behind Act, “Demography of American Schools: Immigration and the NCLB Act”, and “Who’s Left Behind: Immigrant children in High and Low LEP Schools” both with interesting data and interpretations of these rapidly shifting demographics that can inform our thinking and planning for outreach.

http://www.urban.org/UploadedPDF/311230_new_demography.pdf

http://www.urban.org/UploadedPDF/411231_whos_left_behind.pdf

Tech Corner: Learn by Doing: Survey Monkey

We are looking for feedback on meeting your needs – why not a survey? And how about if it was low cost, quick, accessible, and could increase our (and your) capacity to quickly evaluate services, materials, needs and etc? In keeping with our penchant for sprightly animals, we’d like to try Survey Monkey with you.

<http://www.surveymonkey.com>

It took Jeanne a couple of hours to configure this Matrix TA survey. There were so many choices for how to lay out the questions! We will update you on the results, and share what we learn in the process. Take the survey here:

<http://www.surveymonkey.com/s.asp?u=167591597816>

Management Notes

Nonprofits and the IRS: Keeping your organization in compliance

Nonprofit organizations benefit from certain advantageous tax benefits and privileges, of which for-profit corporations could only dream. For example, 501 (c) (3) organizations typically don't have to pay property taxes, are exempt from many sales taxes, and nonprofit donations are almost always tax-exempt. However, there are many IRS reporting requirements and regulations of which leaders of nonprofit organizations must be aware. Some of these are simple (such as filing updated information with your state every few years), while others can be quite complex (such as the rules on lobbying, unrelated business income, filing the IRS 990 form, etc.).

Ever since the Sarbanes-Oxley Act of 2002 came into effect, for-profits *and* nonprofits have come under intense government and public scrutiny. For the financial security of your organization, it is wise to stay on top of the issues

surrounding this act. I'm not a lawyer so don't consider information in this article legal advice, but as an executive director of nonprofit organizations for 26 years and working full-time with nonprofits for 35 years I can offer you a number of strategies that will help keep your organization in compliance.

1. Although your nonprofit is tax-exempt from federal income tax, you still have to **deal with tax issues**. Although, you don't have to pay federal income tax, you may have to pay city and county personal property tax, tax on phone bills, state tax liability, etc. Make sure your nonprofit organization is in compliance.

2. If you have recently received your 501 (c) (3), you've probably received a **conditional advanced ruling period of up to 4-5 years**. You need to be careful that you file the required IRS 990 forms (if you spend more than \$25,000 in your fiscal year) during this time period and abide by **all** regulations. During these first few years, the IRS will diligently review your records and use the information they gather to grant (or not grant) your nonprofit *permanent* 501 (c) (3) status.

3. **Make sure you file your IRS 990 form every year**. Pay particular attention to the section of the form that asks for the percentage of expenses going toward: programs, fundraising and administrative expenses. The general rule is to have more than 75 percent of your expenses going toward programs, and less than 25 percent going toward administrative **and** fundraising costs.

4. Nonprofit 501 (c) (3) organizations are **divided into two IRS categories: public charities and private foundations**. Public charities must emphasize their work with the public in terms of financial percentages. Essentially, one-third of your revenue must come from the community through various donations, gifts, grants, memberships, etc. The government calls this a **public support test** and you must be in compliance with it. Private foundations don't have these requirements but they *do* have to pay 2 percent excise tax on their investments as well as adhere to other very strict requirements.

5. When having a special event, **remember that the entire price of each ticket is NOT tax deductible**. If you're having an annual dinner and the cost of the tickets are \$100, while the price of the meal is \$30 to the organization, only \$70 of the donation is tax deductible in the form of a gift. Make sure the attendees know this

6. There are many types of charitable donations — **let your donors know what you will accept**: cash, stock, art objects, real estate, life insurance policies, etc. Many people will want to give gifts other than cash, and you should be prepared to accept gifts in many forms. Obviously, you will need to seek legal and financial advice from qualified persons when dealing with these kinds of non-cash donations.

7. **Lobbying is a key issue with which you should become familiar.** The IRS encourages nonprofit organizations to get involved in the legislative process and public policy issues. They don't allow you to spend dollars to elect a particular politician (although you could form a political action committee), but they're supportive of grassroots lobbying and advocating positions when non-substantial amount of dollars are at stake. The government has been very vague about the definition of what "substantial" is, so if you're going to do any "substantial" lobbying it's wise to hold an "H election," which allows your organization to spend 20 percent of its first \$500,000 in expenses on lobbying, with decreasing percentages up to \$1 million. The Independent Sector has information on their web page about these rules.

8. **The Unrelated Business Income Tax (UBIT)** is becoming more popular as nonprofits are acting more like businesses and generating revenue through sales of products, opening up businesses, and taking part in other commercial activities. Generally, if your enterprises fit "squarely" into the mission of your organization, you usually don't have to worry about UBIT. But if you're opening up a business purely as an earned income stream for your nonprofit, you need to carefully look into UBIT and realize that you'll be paying taxes, just like a for-profit business, on your sales and profits.

9. If your organization does any **telephone solicitation** make sure you check with your state to see if you have to file as a fundraising organization. During the past decade many states have passed legislation controlling telemarketing firms. If a telemarketing firm is soliciting gifts for your organization in which the majority of the gift goes to them rather than you, you might want to re-think your tactics. Make sure you are always in compliance, both legally **and** ethically.

10. **A valuable book** that looks at the whole field of nonprofit financial management is ***Financial Management for Nonprofits: Keys to Success, Third Edition*** by Peter Konrad and Alys Novak available from Bayaud Industries. To order, call Dave Busenbark at 303-830-6885, ext. 209, or dave.busenbark@bayaudindus.tries.org - their address is 333 West Bayaud Ave. Denver, CO 80223

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