

QUICK ACTION PLAN OF REVISED 990 REPORTING CONSIDERATIONS



Board of Directors and Trustee Considerations/Best Practices

- Prepare or revise an annual questionnaire for officers, Board of Trustees and key employees. Suggested items may include, but are not limited to the following:
 - Independence criteria for Board Members as outlined in 990 instructions to properly respond to questions.
 - Family/Business Arrangements between officers, Board of Trustees and key employees.
 - Transactions with interested persons.
- Establish or revise a Conflict of Interest Policy.
 - A deliberate failure to disclose a material fact by a director/trustee under a written policy may prevent IRS sanctions/fines/penalties to the organization.
- Establish an internal process for reviewing Form 990. The IRS is recommending that a copy of the Form 990 be provided to the governing body before it is filed.
- Establish a written whistle-blower policy.
- Establish a written document retention and destruction policy.
- Establish a written policy for determining compensation (base compensation, bonuses, incentives, as well as fringe benefits and reimbursements) of officers and key employees including approval by independent persons, review of comparability data and contemporaneous substantiation of the deliberation and decision making process.
- Establish a Joint Venture Policy if the organization is involved in a Joint Venture with taxable entities
- Establish a committee that assumes responsibility for the oversight of the audit, review, or compilation of the financial statements.
- Establish a gift acceptance policy for non-cash contributions and non-standard gifts.
- For donor advised funds-establish disclosures that will be provided to donor in writing (see Schedule D Part I of Form 990).

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Management Considerations

- Provide description of the organization's mission or most significant activities.
- Provide description of exempt purpose achievements for the three largest services by expenses.
- Provide description of intended use of endowment funds.
- Provide description of eligibility and selection criteria for grants, awards, and assistance to governments, organizations and individuals in the United States and segregate amounts paid to each over \$5000.
- Provide description of eligibility and selection criteria for grants, awards, and assistance to governments, organizations and individuals outside the United States and the monitoring conducted of the amounts given and segregate amounts paid to each over \$5000. Also provide 501 (c)(3) equivalency letters if applicable. Disclosure information requested relating to filing of forms 1096, W-2G, and W-3.
- Expanded information requested on all officers, directors, trustees, and key employees whether they received compensation or not.
- Obtain expanded information needed for special event and fund raising activities to include the following:
 - List of all states in which the organization is registered or licensed to solicit funds
 - Gross and net proceeds by event if gross receipts on event are more than \$5000
 - Volunteer labor on gaming events
 - Information on third party gaming activities
 - Cash prizes/non-cash prizes
 - W-2G or 1099
 - Non-cash Contributions - completion of Form 8283 Donee Acknowledgement/Form 8282
- Compliance with tax filings:
 - Number of W-2's
 - Number of 1099/W-2G's
 - Unrelated Business Income reported on 990
 - Form 90-22.1 (This form needs to be filed with US Treasury if you have a foreign bank account)
 - Alternative Investments