



NONPROFIT NEWS

From the Charitable Law Section at the Office of Ohio Attorney General Richard Cordray

OANO CONFERENCE YIELDS WIDE-RANGING DISCUSSIONS

Economic conditions are challenging for nonprofits, but there is reason to believe that many organizations will emerge from these trying times with stronger organizations. That was the general sentiment voiced by many participants at the mid-October Ohio Association of Nonprofit Organizations conference, which was sponsored by the Ohio Attorney General's Office.

Hundreds of people active in Ohio's charitable sector gathered in Columbus to discuss ideas and approaches aimed at enhancing fundraising and strengthening board governance. Among the various workshops at the event, AGO staff presentations focused on charitable solicitation, board governance and charitable gaming. OANO also reported on its ongoing economic survey, which

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ONLINE RESOURCES UNVEILED AT OANO CONFERENCE

Another highlight of the Ohio Association of Nonprofit Organizations Conference was the unveiling of several new online resources for charitable organizations.

The office unveiled a substantive new online resource -- the Attorney General's Nonprofit Handbook. View it at www.OhioAttorneyGeneral.gov/NonprofitHandbook.

This publication has multiple chapters on issues relevant to both charitable organizations and consumers who routinely deal with the charitable sector. It includes information on board member responsibilities, state oversight, charitable fundraising and professional solicitation as well as how to avoid theft within charities, how to donate wisely and how to file complaints with the Attorney General's

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CRIMINAL BACKGROUND CHECKS EASIER FOR OHIOANS

Many charitable organizations are statutorily required to run criminal background checks on volunteers and staff members. Others have policies and procedures in place that require such checks.

Attorney General Richard Cordray's Bureau of Criminal Identification and Investigation has joined with the Ohio Bureau of Motor Vehicles to provide background checks at local deputy registrar locations across Ohio. BCI is

providing the training and equipment in part through a grant from the U.S. Department of Justice Office of Community Oriented Policing Services. While not initially available in all 88 counties, more locations are being added. A listing of all of the locations can be found at www.OhioAttorneyGeneral.gov/Webcheck.

It is surprising how many professions actually need a background check. These include professionals who have access to

CHARITIES ENCOURAGED TO SEEK THE RETURN OF ILLEGAL CAMPAIGN DONATIONS

One of the requirements for charities to maintain their 501(c)(3) status is to avoid endorsing political candidates and making political contributions. These types of activities are often investigated by the IRS and can result in the loss of the tax exempt status.

Often these types of contributions are made by mistake -- perhaps by purchasing a ticket to a dinner that is a fundraiser for a politician. Other times, the contributions are intended to express appreciation by the nonprofit for the politician's support of a particular cause. In either event, it is an illegal expenditure that can land the charity in hot water.

New York Attorney General Andrew Cuomo's office is in the midst of an

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OANO CONFERENCE YIELDS WIDE-RANGING DISCUSSIONS , CONTINUED

tracks the financial strength of Ohio's charities.

A highlight of the event was the luncheon, where Ohio Attorney General Richard Cordray delivered the keynote address. Cordray expressed appreciation for the charitable sector, noting that he has been involved throughout his life in community service activities and has great respect for the sector's contributions to the quality of life that Ohioans enjoy.

Cordray said he is trying to stress the importance of service to his staff. Staff lawyers are routinely encouraged to participate in several of the office's pro bono efforts, and new lawyers will be evaluated in part on their involvement in pro bono. Cordray also said that a question will be added to the questionnaire for special outside counsel hired by the office that asks about those lawyers' participation in pro bono activities.

ONLINE RESOURCES UNVEILED AT OANO CONFERENCE, CONTINUED

office. The format of the new Web-based publication will allow easy updates and expansion of the publication to include additional topics.

An expanded Guide for Charity Board Members is now available at www.OhioAttorneyGeneral.gov/GuideforCharityBoardMembers. This booklet provides an overview of the specific legal duties board members of charities have, as well as the consequences for violating those standards. Board members of all charitable organizations should routinely review the booklet in order to ensure that the proper policies and safeguards are in place to ensure that they are furthering the mission of the organization.

The Charitable Law Section values feedback from the charitable sector that will help better target the types of information that would be most helpful. Please send questions and comments to CharitableLaw@OhioAttorneyGeneral.gov. Your suggestions and feedback will guide the development of ongoing tools and may provide the basis for ongoing articles published in this newsletter and other publications.

CHARITIES ENCOURAGED TO SEEK THE RETURN OF ILLEGAL CAMPAIGN DONATIONS, CONTINUED

ongoing investigation and review of political campaign reports and has sent out letters to nonprofits whose contributions are contained in the campaign financial reports. The letter urges the nonprofits to seek a refund of political contributions.

Ohio groups should be reminded of the prohibition against political contributions and review their records, as well.

WANT UPDATES?

- Receive an electronic version of Nonprofit News by signing up at www.OhioAttorneyGeneral.gov/NonprofitNews