

From: [Donald W.R. Allen,II](#)
To: [*TE/GE-EO-F990-Revision;](#)
Subject: Revision of 2008 - 990
Date: Friday, April 18, 2008 8:26:35 AM

To whom it may concern:

The 2008 990's should have a category and information line item with the following information:

1. Percentage of Charitable Contributions used for Administrative costs:
2. Percentage of Charitable Contributions used for programming
3. List programs and individuals served with SSN#'s

Donald W.R. Allen,II, Executive Vice President - Marketing/Advertising/
Public Relations

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From: [MARY VANDERVEEN](#)
To: [*TE/GE-EO-F990-Revision;](#)
Date: Tuesday, April 15, 2008 3:46:16 PM

The revised form 990 is a good start. However, it's not going to stop the ever increasing cases of fraud. If you are trying to minimize fraud, controls and laws need to be put in place to support the ethics that CPA firms are supposed to be adhering to. We need to identify acts that are illegal and assign an appropriate punishment. Once we do this CPAs will think twice about ignoring the illegal acts of their clients and hopefully clients will think twice before committing the act. I think it necessary to require all not-for-profits to be audited and to submit their audited financial statements as an attachment to Form 990. Additionally, I would **definitely require** the audit partner of the CPA firm to attest to a whole list of things. As you are well aware, money, funded by US taxpayers, is being extorted from the not-for-profit organizations and I do believe it's going to get worse before it gets better. The new scam now is where the CEO of the not-for-profit sets up an S-Corp (a for profit/taxable entity); then the CEO loans money from the not-for-profit to the S-Corp (in this case just over \$600,000 was essentially loaned to him); then the CPA firm (because they don't want to lose the business to another CPA firm) was initially burying the loan receivable with trade receivables on Form 990 and subsequently decided to write it off as noncollectable because the bank (with whom the not-for-profit is applying for a loan) is asking questions about the loan; and last but not least, because in essence the not-for-profit and apparently the U.S. taxpayers have forgiven the \$600,000 plus loan, the GAAP accounting for "forgiven loans" is to reclassify the loan payable on the books of the S-Corp as income (which would then flow through to the CEO's individual tax return) but it remains on the balance sheet as a loan payable to obviously avoid individual income taxes. In this scenario, the U.S. Taxpayers and the consumers of the not-for-profit have been screwed out of \$600,000 and on top of that, the CEO also gets to avoid paying income taxes on it. Now I'd have to say...he had a good day!!

Not-for-profit has become big business and seems to be taking on characteristics somewhat similar to that of the mafia because it's all about sucking as much money out of it and into the pockets of those who have no ethics, no sense of responsibility, and too damn lazy to learn how to do their jobs and their auditors are covering up for them. At the end of the day, the majority of not-for-profits aren't taking care of the needy;

but rather preying off the needy.

It may also benefit our country if you solicit information from the line of accountants just below the partner level because as long as the partners of CPA firms are raking in the fees, they're certainly not going to turn their clients in.

Regards,

Mary

between 0000-00-00 and 9999-99-99

From: [Richard M. Lucash](#)
To: [*TE/GE-EO-F990-Revision;](#)
Subject: Instructions for 2008 Core Part VII
Date: Tuesday, April 15, 2008 10:18:32 AM

Page 7 of the Instructions for 2008 Core Part VII, require that “other compensation” include (1) contributions by the employee to a qualified defined-contribution retirement plan and (2) contributions by the employee to a health benefit plan. This seems at odds with Schedule J and the definitions of various types of compensation in the Glossary. The result seems to be that “Other Compensation” reported in Core Part VII will combine compensation provided by the organization with amounts that are essentially made by the employee at his or her discretion and will make it difficult to compare compensation for similar positions across multiple organizations.

Richard M. Lucash
Lawrence Associates
Compensation Consulting for a Competitive Edge
396 Washington Street, Suite 303, Wellesley, MA 02481
Phone: 781-237-9044 Fax: 781-237-9045

Web: www.lawrenceassociates.com

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From: [Gemma Matteo](#)
To: [*TE/GE-EO-F990-Revision;](#)
Subject: Didn't use this form
Date: Sunday, April 13, 2008 12:50:56 PM

Hello,

I was very confused and intimidated by this. I hired an accountant to fill out the papers for my small Federation local.

I am happy to have this opportunity to express my frustration over this new requirement.

Thanks to "Fair Share"...I now have 5 members. Our treasury is very limited. I resist increasing my members dues because our yearly portion to the EA increases each year. Now....thanks to this legislation....our finances will be drained even faster than I had planned....

I would be relieved if this process was SIMPLE...and Non-intimidating. I don't want to make a MISTAKE ...dealing with the IRS. My union could lose what little it has.

Thanks for listening.

Gemma Matteo

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From: [Brent King](#)
To: [*TE/GE-EO-F990-Revision;](#)
Subject: Suggestion
Date: Saturday, April 12, 2008 12:28:20 AM

Make non profits report the sale of tax exempt bonds , the interest on the bonds, how the revenue from the bonds were used, and if any of the funds were/are invested in higher yield securities. All revenue from the higher yield securities should be taxed .

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From: [Brent King](#)
To: [*TE/GE-EO-F990-Revision;](#)
Subject: Sugesstions
Date: Friday, April 11, 2008 8:20:00 AM

Here of some of my suggestions for the 990:

1. First class travel is sometime acquired by using the points from credit card charges paid for by the non profit; credit card points should be accounted for because they are,in effect, becoming benefits to the administrator at non profit expense.
3. Some administrators use non profit funds to send seasonal gifts to donors and omit the name of the non profit. If the non profit name is omitted ,then the amount of the gifts should be income to the administrator
4. Documentation that specifically outlines the direct benefit to the non profit for Foreign travel. The cost of the accommodations should be kept to no more than the cost of the Federal allowable accommodation allowance for the most expensive American city and the remainder becoming income to the administrator using the benefit
5. Many medical non profits compensate their top people from several sources and only reporting the salary in the budget. The "one time merit based incentive" payments, all business meals, and memberships/donations from non profit funds to foreign organizations be counted as compensation,unless the organization has an active and provable fund raising and operating entity in a foreign country.
6. All meals in excess of \$75 ,including rentals of facility,china,wine,flowers,and any costs associated with the meal. The meal should be a direct benefit to the non profit and not a celebration of birthdays,weddings,or memorials or like celebrations.
7. All personal gifts over \$75 given personally to any employee of the non profit should be accounted for as taxable income to the employee by a 1099.
8. Medical non profits offering VIP or value added services to a certain population of the clinical practice must be counted as taxable income and valued and the persons receiving such benefit should receive a 1099. The cost of the service must include office space,utilities,depreciation of office furniture and equipment ,even uniforms and and telephone costs should be included in the cost analysis of a VIP operation.
9. All medical bills or costs to the non profit relative to special treatment to a class of patients or their friends who also receive special treatment must be assessed a fee relative to the cost of providing that VIP or special service. The methodology of determining the costs of must be based on the overhead costs charged to the Federal grants. These costs must be counted as income and passed on via a 1099.
10. All payments to arts organizations by non profits that art is not their mission, must add the cost of memberships,donations,dues,or similar expenses shall be included in the administrator's income and taxed.
11. The non profit should fully disclose what percentage of its total income goes to its mission. If the percentage is less than the norm of the non profit groups in total,

then the IRS must audit the non profit within 180 days of the discovery.

12. All losses of a medical non profit to unpaid charity care must use the same formula to determine the correct amount of charity care. Not charging a group of VIP's or donors or special groups of people not charged for medical care, their deductible,extraordinary care such as house calls or off hour calls for a select group of patients should be revealed and and the users of the service taxed by a 1099.

13. Art provided a non profit ,that does not have art as a mission of their non profit can not provide a tax deduction for the donor,nor can the non profit reclassify art as "office furniture" or any other misnomer,nor can funds be donated and used for art. Any funds included in new buiding constuction can not be paid for by tax exempt bonds.

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From: [Weaver, Kevin](#)
To: [*TE/GE-EO-F990-Revision;](#)
cc:
Subject: Comment on 990 Form
Date: Wednesday, April 09, 2008 11:58:10 AM

If contributions to Churches and Religious Organizations are exempt from federal tax dollars, I think they should be required to disclose how their money is earned and spent.

With that said, I think **Churches and Religious Organizations should also be required to complete a 990 form or similar form as well.**

Thank you.

Kevin Weaver
Franklin Lakes, NJ

Important news about our email communications. Hackensack University Medical Center has implemented secure messaging services. If you need assistance with retrieving a secure email, please send an e-mail to postmaster@humed.com.

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From: [Larry Sloan](#)
To: [*TE/GE-EO-F990-Revision;](#)
cc: [Chris Vest](#); [Kate Zando](#);
Subject: Comments on Form990 Revision
Date: Wednesday, April 09, 2008 8:26:09 AM

To: Whom It May Concern

From: Lawrence Sloan, President

On behalf of the Adhesive and Sealant Council, a 501(c) 6 non-profit trade association, we respectfully submit the following comments pertaining to the draft changes to the IRS FORM 990:

Comments pertain to Part VII, Section A where the organization is requested to submit names of current and former officers, highest compensated employees, directors, and other key employees.

- 1) First, we are confused by and do not understand the logic behind reporting both “highest compensated” and “key” employees. What is the difference between these groups? For an organization of our size (less than \$2 million annual operating budget with 8 total staff), I would think these are the same individuals.
- 2) There is a discrepancy between what the Form 990 requests for listing key employees (it says “list...regardless of amount of compensation”) vs. the Schedule J (p. 8 of 13) which says “...key employees...greater than \$150,000).
- 3) Similarly there is a discrepancy for the reporting requirement for the top 5 highest compensated. Form 990 states those who receive compensation “more than \$100,000” vs. the Schedule J which says “greater than \$150,000”.
- 4) The basis of determining total compensation is confusing. Form 990 refers to “Box 5, Form W-2” but the Schedule J also requests other fringe benefits whose value may NOT be reflected in the Form W-2 be considered. Our opinion is that this calculation will not be universally applied across all organizations reporting and may yield an inaccurate result for extenuating time and effort expended in assessing what fringe benefits and exactly what \$ amounts should be included. It would be easier if the basis were reflective of simply the Box 5 amount and not additional items.

We appreciate your review of our concerns.

Respectfully submitted,

Lawrence D. Sloan, CAE

President

The Adhesive and Sealant Council, Inc.

7979 Old Georgetown Road, Suite 500

Bethesda, MD 20814

Office: 301.986.9700 x111, Fax: 301.986.9795

Cell: 202.365.2518

www.ascouncil.org

From: [JOYCE or JIM ARNOLD](#)
To: [*TE/GE-EO-F990-Revision;](#)
Subject: 990 form
Date: Tuesday, April 08, 2008 9:32:38 PM

What about a filled out 990 forms with samples with numbers, this would help to understand your written instructions.

Comments on the instructions should be e-mailed to the IRS at Form990Revision@irs.gov. To facilitate posting on the IRS Web site, please e-mail comments in a text (not picture) format. Comments may also be mailed to:

From: [Learning and Loving Education Center](#)
To: [*TE/GE-EO-F990-Revision;](#)
Subject: donations in kind
Date: Tuesday, April 08, 2008 4:34:41 PM

Quick question. Where do we put our revenue that encompasses Donations in Kind particularly volunteer hours? Volunteer hours (valued at \$18 per hour) to our organization can equate to over \$30K worth of revenue per year. This needs to be properly noted on our 990 as not affect our ability to report income and expenses associated to our programs and to effectively report the costs of our operations. Please advise. Thank you.

Regards,

Janet

Learning and Loving Education Center

16890 Church Street, #16

Morgan Hill, CA 95037

(408) 776-1196 fax: (408) 776-1130 Email: _____

www.learningandloving.org

"nurturing the seeds"

From: [Jan Harvey](#)
To: [*TE/GE-EO-F990-Revision;](#)
Subject: redesigned form
Date: Tuesday, April 08, 2008 4:16:30 PM

I applaud your efforts to make filing of non profits easier. However, I think it is still too complicated for anyone not familiar with tax returns or tax training. The ez form on the net was easy but somewhat confusing as it stated I was leaving the IRS site. I think something should state that although you are leaving the IRS site, you are still filing the proper form with the IRS and not a private entity. Since the IRS has information on the non-profit, would it be possible to send a form with last year's information and a check could be sent. If anything changed there could be a place to note said change.

Jan Harvey

From: [Sara Wyszomierski](#)
To: [*TE/GE-EO-F990-Revision;](#)
Date: Tuesday, April 08, 2008 3:26:22 PM

Good afternoon,

The new instructions for the Core Form 990 Part III state the following:

Code. For the 2008 tax year, leave this blank.

What is the “Code” portion of Part III of the core form going to refer to? The National Taxonomy of Exempt Entities Classification System? Are there plans to use another system?

Thank you,

Sara

Sara Wyszomierski
Editor, Public Charities
The Foundation Center
79 Fifth Avenue
New York, NY 10003

<http://www.foundationcenter.org>

From: [Paul Schervish](#)
To: [*TE/GE-EO-F990-Revision;](#)
cc: [Diana Aviv -- Independent Sector;](#)
Subject: Suggestion
Date: Tuesday, April 08, 2008 3:05:42 PM

My suggestion is to develop a web or dvd based program that would take charities through forms, something similar to Turbo Tax or other computerized programs.

Paul Schervish

[Paul G. Schervish](#)
Director
Center on Wealth and Philanthropy
Professor, Department of Sociology
140 Commonwealth Avenue, 516 McGuinn
Boston College
Chestnut Hill, MA 02467
(617) 552-4070
Fax (617) 552-3903
web site: <http://www.bc.edu/cwp>

From: [Brent Hample, India Partners](#)
To: [*TE/GE-EO-F990-Revision;](#)
cc: [Chad Hayward; Hasdorff, Terri \(AID/A\);](#)
[Defazio, Peter;](#)
Subject: Public comment concerning Schedule F
Date: Tuesday, April 08, 2008 1:52:43 PM

Dear IRS,

For the safety and security of personnel of faith-based agencies working both in the USA, and in regions that are intolerant to the free expression of religion, especially those of a religious minority of a region, we ask that Schedule F of the revised Form 990 not be a *public* schedule.

Sincerely,

Brent H. Hample
President/CEO
India Partners
P.O. Box 5470
Eugene OR 97405
USA

Copied to:

Terri Hasdorff, Director, Center for Faith Based & Community Initiatives,
USAID, U.S. Department of State
Congressman Peter DeFazio
Chad Hayward, Executive Director, AERDO

From: [Marcy Steindler](#)
To: [*TE/GE-EO-F990-Revision;](#)
Subject: Instructions comment
Date: Tuesday, April 08, 2008 11:31:32 AM

I had been hoping the instructions would clarify the definition of independent contractor. The phrase "include organizations as well as individuals" confuses the professionals at my firm. For instance, if a client pays a large publishing company to publish its journal, is that an independent contractor? That seems dissimilar to paying an individual to write, edit and layout the journal content. In each case there is a service being performed for our client and in each case the service could have been performed by someone hired as an employee. We have been struggling with this and clarification would help a great deal.

Thank you-

Marcy L. Steindler, CPA
Tax Manager, Exempt Organizations
Mann. Weitz & Associates L.L.C.
108 Wilmot Road
Suite 110
Deerfield, IL 60015
Phone: 847-267-3400
Fax: 847-267-3401

From: [lee harms](#)
To: [*TE/GE-EO-F990-Revision;](#)
Subject: comments on instructions
Date: Tuesday, April 08, 2008 11:11:07 AM

This appears to be a very cumbersome report for those of us who run very small non-profit organizations. Even the instructions are difficult to see how they will apply to us. We have an income of less than \$3500 annually and use it all for the ministry. No one is paid anything from these funds. Can the reporting process be stream-lined for very small organizations with minimal income, no investments, no salaries, etc.?

Lee Harms
816-875-4456 (office)
816-645-2055 (mobile)