

Recognizing and Working with Form 990's Priority Pressure Points (Breakout – Master Class B)

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Be Aware of the 990's Audience

1. IRS (primarily the Exempt Organizations function within the Services' TEGE Operating Division)
2. States (and District of Columbia) – Attorneys General and agencies with “charity oversight” or other sphere of review (for example re the latter, Gaming Boards)
3. Court of Popular Opinion – the public overall, investigative reporters, naysayers (for example, disgruntled employees or competitors), funders, constituents (including employees), etc.
4. Trustees/Directors, Officers, and Key Employees (a pool referred to as “**TDOKEs**”) – these are the folks who hope to NEVER down-the-road find themselves wishing they had more effectively reviewed the Form before it was filed!

990 Preparation Pitfalls

- Insufficient resources are available for 990 preparation tasks and “same-as-last-year” is all-too-frequent fallback
- Instructions are voluminous at ~60 pages (counted here are relevant pages of Core Form’s instructions plus key Schedules’)
- Face of form often fails to state, or worse, misstates the applicable instructions’ imperatives.
- Filers utilizing paid preparer often unduly rely on preparers’ “organizer” as basis for data-pulls and ‘answers;’ also, paid preparers may not emphasize need for filers to have and maintain documentation for info provided via “organizer”
- Prior Form years’ priorities and learning curve typically demand attention that eventually becomes misplaced, further draining resources away from other necessary review arenas

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