

# 2006 Exempt Organizations Conference

Tuesday, December 5, 2006  
New York Marriott Marquis Times Square  
1535 Broadway, at 45th Street  
New York, NY 10036

8:45 a.m. – 5:10 p.m. (Check-in begins at 8:15 a.m.)

*Covering the latest issues affecting  
exempt and nonprofit organizations.*

- *Update on NPO Tax Issues*
- *A View from the States*
- *Private Foundations in 2006*
- *Tax Consequences of Investment Alternatives*
- *Intermediate Sanctions Update*
- *Executive Compensation Issues*

# 2006 Exempt Organizations Conference

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8:45 a.m. – 5:10 p.m. (Check-in begins at 8:15 a.m.)

**Designed for:** Practitioners in the exempt organization arena, and financial and executive officers in nonprofit organizations.

**Objective:** To update the participants on the latest issues affecting nonprofit organizations, and provide them with insight and solutions to critical issues.

## Conference Program

8:15 a.m.

**Registration and Check-in and Breakfast**

Seth Perlman, Esq., Senior Partner,  
*Perlman and Perlman*

8:45 a.m.

**Welcome and Introduction**

Julie L. Floch, CPA, Director of Not-for-Profit Services, *Eisner LLP*

Alan Woghin, CPA, Managing Director, Healthcare Services Group, *RSM McGladrey*

Paul E. Hammerschmidt, CPA/PFS, MS (Taxation), *BDO Seidman, LLP*

As regulations and initiatives are implemented and discussed in various states, it can be frustrating to grasp the various and changing requirements. Join Seth Perlman as he discusses the history of state regulation; the latest initiatives and requirements being instituted by the states; and areas of particular concern to state regulators, involving the financial statements and Form 990.

8:55 a.m.

**Update on NPO Tax Issues**

Jody Blazek, CPA, Partner, *Blazek & Vetterling LLP*

11:15 a.m.

**Room Change**

Ms. Blazek will discuss IRS initiatives and examinations, the evolution of Form 990, and tax legislation and rulings, highlighting issues and new developments to consider as one works with exempt organizations in the coming year.

11:25 a.m.

**Concurrent Sessions: Choose one and indicate your choice on the registration form.**

10:05 a.m.

**Break**

**1. Private Foundations in 2006**

M. Antoinette Thomas, Esq., Partner, *Carter Ledyard & Milburn LLP*

10:15 a.m.

**A View from the States**

Ms. Thomas will update participants on current issues for private foundations, including recent legislation (the Pension Protection Act of 2006), private letter rulings, and cases of interest.

## 2. What's Happening to Form 990?

D. Greg Goller, CPA, Partner, *Grant Thornton LLP*

Mr. Goller will discuss the changes to the 2005 Form 990, and IRS expectations for changes in 2006 and beyond.

12:35 p.m.

### Lunch

1:35 p.m.

**Concurrent Sessions: Choose one and indicate your choice on the registration form.**

## 3. Intermediate Sanctions Update

Thomas K. Hyatt, Esq., Partner, *Ober/Kaler, Attorneys at Law*

Mr. Hyatt will discuss recent developments in IRS intermediate sanctions for tax-exempt organizations. He will review such topics as the recent 5th Circuit decision in the Sta-Home Home Health Agency case and its implications for all charities; Form 990 reporting issues; executive compensation concerns; IRS enforcement initiatives; and how to avoid automatic excess benefit transactions.

## 4. Tax Consequences of Investment Alternatives

Edward J. Jennings, JD, CPA, Tax Manager, *University of Michigan*

Participation in certain investment vehicles by an organization may generate unrelated business income (UBI) or trigger additional filing requirements. Ed Jennings will discuss UBI concerns and proactive steps to take to manage the potential tax liabilities that organizations may face as a result of these investments. Also, he will address the filing requirements for certain foreign investments as well as reportable transactions, including related excise taxes.

2:45 p.m.

### Break

2:55 p.m.

**Concurrent Sessions: Choose one and indicate your choice on the registration form.**

## 5. Exempt Organization Lobbying

Terry Miller, Consultant

Public policy activity sometimes is lobbying and sometimes is not. Sometimes it is even prohibited "electioneering communications." The definitions and reporting requirements vary depending on the type and filing status of the NPO in question. This session will provide an overview of the rules for support of advocacy across types of exempt organizations, from private foundations and types of public charities, to 501(c)(4), (5), and (6) organizations.

## 6. Donor-Advised Funds, Supporting Organizations, Private Foundations

David Shevlin, Esq., Senior Counsel, *Simpson Thatcher & Bartlett LLP*

Mr. Shevlin will discuss the various structures that can be used for charitable giving and when each alternative is best, particularly in light of the changes implemented by the Pension Protection Act of 2006.

4:00 p.m.

### Room Change

4:10 p.m.

**Concurrent Sessions: Choose one and indicate your choice on the registration form.**

## 7. Executive Compensation Issues: What You Need to Do and Know in Today's Environment

David G. Samuels, Esq., LLM, Partner, *Duval & Stachenfeld, LLP*

Mr. Samuels will discuss various issues concerning executive compensation and will update attendees on best guidance for compliance.

## 8. Unrelated Business Income: More Than the Basics

Frederick H. Rothman, CPA, JD, LLM (Taxation), Director of Tax Services, *Loeb & Troper*

Mr. Rothman will discuss revenue that may be excluded from unrelated business income as well as common types of unrelated business income, focusing on the planning opportunities available as well as traps for the unwary.

# Program Details

**Time:** 8:45 a.m.–5:10 p.m. (Check-in begins at 8:15 a.m.)

**Conference Cochairs:** Julie L. Floch, CPA, Director of Not-for-Profit Services, *Eisner LLP*; Alan Woghin, CPA, Managing Director, Healthcare Services Group, *RSM McGladrey*

**Sponsoring Committee:** Exempt Organizations Committee, NYSSCPA

**Sponsoring Committee Chair:** Paul E. Hammerschmidt, CPA/PFS, MS (Taxation), Tax Director, *BDO Seidman, LLP*

**Course Level:** Update

**Prerequisite:** Knowledge of not-for-profit organizations

**Method of Presentation:** Lecture and question-and-answer session

**Field of Study:** Specialized Knowledge and Applications

**Recommended CPE Credit Hours:** 8

**Developer:** Foundation for Accounting Education

**Course Code:** 25507711

**Member Fee:** \$350

**Nonmember Fee:** \$450

## About the Committee Chair

**Paul E. Hammerschmidt, CPA/PFS, MS (Taxation)**, is a Tax Director and heads the Not-for-Profit Services Group of BDO Seidman, LLP. He has specialized in tax issues affecting tax-exempt organizations for 20 years, and his experience includes tax planning, from an organization's inception to developing tax strategies and compliance for existing organizations. Under his direction, his group regularly provides services to not-for-profits that include planning and obtaining IRS recognition of exempt status under Section 501(c) of the Internal Revenue Code; review of operations to minimize the impact of unrelated business taxable income; review of proposed and existing transactions/operations and identification of potential "excess benefit transactions"; review of operations and identification of potential private inurement or benefit to insiders; evaluation of an organization's current or proposed fund-raising activities for compliance with Internal Revenue Service and state requirements; and handling of Internal Revenue Service and state examinations and inquiries. He has written numerous articles and provides firm training in connection with tax matters affecting charitable organizations. He is currently a member of the NYSSCPA and chair of its Exempt Organizations Committee, and on behalf of the NYSSCPA has been the principal drafter of numerous written comments to the IRS regarding proposed legislation as well as proposed changes to Forms 990 and 990-PF. He represented the State Society in a U.S. Treasury discussion of terrorist financing issues in the nonprofit sector. He is also a member of the AICPA and a Personal Financial Specialist.

## About the Conference Cochairs

**Julie Floch, CPA**, is Eisner's Director of Not-For-Profit Services and is the partner responsible for coordinating the planning and administration of engagements in the firm's not-for-profit practice. She is a current member of the AICPA's Not-for-Profit Organizations Expert Panel and a member of the NYSSCPA's committee on not-for-profit organizations (which she formerly chaired) and its committee on tax-exempt entities. In addition, she is the technical reviewer for the AICPA's annual not-for-profit accounting videocourse update, and a frequent moderator and panelist for a variety of its courses. In 2004, she was appointed by the IRS to its Advisory Committee on Tax Exempt and Governmental Entities, and has served the independent sector on one of its panels designed to respond to the Senate Finance Committee. She is on the board of the Council of Community Services of New York State, was a founding member of Governance Matters, and has served on (and previously chaired) the finance and audit committees of the Crohn's and Colitis Foundation of America. She is an adjunct professor of auditing at Baruch College/CUNY; she also teaches not-for-profit management at the New School and has served on its Faculty Senate.

**Alan Woghin, CPA**, is a managing director with RSM McGladrey's Healthcare Services Group, primarily responsible for managing clients of the Healthcare Services Group. With over 14 years of experience in the healthcare field, he has developed an expertise in tax and healthcare finance. His clients include various community/migrant health centers, homeless programs, HIV programs, drug treatment programs, prepaid health service plans, and other not-for-profit corporations and for-profit organizations. As part of his duties to oversee tax, accounting, and management projects for healthcare clients, he supervises and reviews the preparation of all annual information returns (Form 990) and specialized costs reports specific to ambulatory care facilities reimbursement, and prepares and reviews client financial reports required for filing with the Department of Health and Human Services (e.g., indirect cost proposals, UDS, FSR, etc.). To keep the Healthcare Services Group and its clients abreast of current and forthcoming healthcare laws, he monitors healthcare and tax legislation and develops constructive suggestions to enhance operating efficiency under these laws. He provides in-house training to the Healthcare Services Group on various tax and financial topics. He is a member of both the AICPA and the NYSSCPA, where he served as chair of its Exempt Organizations Committee. He is cochair of this year's Exempt Organizations Conference.

# About the Speakers

**Jody Blazek, CPA**, is a partner in Blazek & Vetterling LLP, a Houston CPA firm focusing on tax and financial services for exempt organizations. She is a past chair of the AICPA Tax-Exempt Organizations Task Force and a member of its 990 Task Force. She is the author of six books in the Wiley Nonprofit Series, including: *Tax Planning & Compliance for Tax-Exempt Organizations*, 4th edition; *IRS Form 1023 Tax Preparation Guide*; *IRS Form 990 Tax Preparation Guide*; *Private Foundations: Tax Law & Compliance*; and *Legal Answer Book for Private Foundations*, coauthored with Bruce K. Hopkins. She serves on the editorial board of the *Exempt Organizations Tax Review* and is a frequent speaker at nonprofit symposia, including those sponsored by the AICPA and state CPA societies.

**D. Greg Goller, CPA**, is a Partner in the Washington, D.C., area Not-for-Profit Solutions Group of Grant Thornton LLP. He has been serving the needs of not-for-profit organizations for over 25 years and delivers tax services to Grant Thornton's not-for-profit clients in the Washington, D.C., area. His experience includes planning, structuring, and reporting transactions, with particular emphasis on Forms 990 and 990-T. He prepares and negotiates requests for private letter rulings and responses to the Internal Revenue Service in obtaining technical advice memorandums from the national office of the Internal Revenue Service. He also represents tax-exempt clients during IRS examinations in the field audit and appellate process, and supports legal counsel through Federal District Court and Tax Court proceedings.

**Thomas K. Hyatt, Esq.**, is a shareholder in the law firm of Ober|Kaler, Attorneys at Law. His practice focuses on corporate and tax-exempt organization issues for nonprofit organizations. A substantial portion of his practice involves counseling nonprofits on governance and transactional matters. He is admitted to practice in the District of Columbia and Pennsylvania. He is a member of the American Health Lawyers Association (AHLA) and is also a member of the American Bar Association and the District of Columbia Bar. He served as a member of AHLA's Board of Directors from 1992 to 1998. He is one of the inaugural Fellows of AHLA. He is listed in the 2005–2007 editions of *Best Lawyers in America* and is also listed in *Marquis Who's Who* and *Who's Who in American Law*. He is a coauthor of *The Law*

*of Tax Exempt Healthcare Organizations, Second Edition* (Wiley, 2001: Cum. Supp. 2006). He is also the general editor and a contributing author to the *Nonprofit Legal Landscape*, a guidebook for managers and directors published by Board Source.

**Edward J. Jennings, JD, CPA**, is the tax manager at the University of Michigan in Ann Arbor, Michigan. His responsibilities include providing tax planning and compliance services in addition to resolving conflicts with the Internal Revenue Service and other state and local taxing agencies on behalf of the University and its affiliates. He serves as a member of the IRS Information Reporting Program Advisory Committee and as a member of the Taxation Council of the National Association of College and University Business Officers. His articles "The Taxation and Reporting of Distributions Derived from Licensing Intellectual Property" and "Managing the Tax Consequences of Alternative Investments" appeared respectively in the March/April 2004 edition and the July/August and September/October 2006 editions of *Taxation of Exempts*. Previously, he worked as the tax manager for a nonprofit healthcare system that was subject to an IRS Coordinated Examination Procedures audit. He also has over 10 years of experience with international public accounting firms, specializing in nonprofit organizations, particularly with educational institutions and healthcare systems. He graduated from St. Joseph's University in Philadelphia with a BS in Accounting, and from Wake Forest University School of Law in Winston-Salem, N.C., with a JD. He is licensed as a CPA and holds bar licenses in the states of North Carolina and Illinois.

**Terry Miller** brings years of training and consulting experience in the nonprofit sector across a broad range of organizations, working to integrate financial accounting and tax reporting, with an emphasis on making information accessible to nonprofit managers, boards, and advisors. Continuously since 1984, he has maintained a private practice providing advice and training to nonprofits, and a few small businesses, on financial and tax compliance issues. In addition to training nonprofit staff and boards, he has presented professional CPA seminars for CPA associations nationally, last year in New York, and in northern California and Oregon, as well as for nonprofit management-support organizations in Portland and San Francisco, and the Foundation Center Library in San Francisco. He has presented for the annual AICPA Not-for-Profit Conference

held in Washington, D.C., in June for five consecutive years, and is in his fifth year on the planning committee. He presented to and was on the planning committee for the 2004 AICPA Not-for-Profit Financial Executive Forum held in November in San Francisco and will present in 2006.

**Seth Perlman, Esq.**, is a senior partner at Perlman and Perlman. He holds a BS from Beloit College and a JD from the University of Texas. He is a frequent commentator and lecturer on issues affecting the author of *Fund-Raising Regulation*, the definitive handbook on the regulation of charitable solicitations, and a contributing author to *The Nonprofit Handbook – Fundraising*. He has litigated in numerous state and federal jurisdictions on issues relevant to the philanthropic community and is special counsel for the Association of Fund Raising Professionals and the Direct Mail Fundraising Association. Lead counsel for the American Charities for Reasonable Fundraising Regulation, he successfully litigated a constitutional suit seeking to overturn the fundraising regulatory scheme in Pinellas County, Fla. He has worked with the Hungarian government on the formation of its nonprofit sector and has been invited by Congress and state governments to advise them on issues relevant to the philanthropic sector.

**Frederick H. Rothman, CPA, JD, LLM (Taxation)**, Director of Tax Services of Loeb & Troper, is responsible for providing consultative tax services to clients that include human services agencies, fund-raising organizations, religious organizations, educational institutions, healthcare organizations, and other not-for-profit organizations. He is a member of the NYSSCPA and its Exempt Organizations Committee, the ABA Exempt Organizations Committee, the AICPA 2005 Form 990 Task Force, and its Exempt Organization Tax Review Advisory Board. Additionally, he has been a member of the Internal Revenue Service Exempt Organizations' Liaison Group for the Brooklyn Key District and the AICPA Tax Executive Committee, and has served as Chair of both the AICPA's Tax Exempt Organizations Committee and the NYSSCPA's Exempt Organizations Committee.

**David G. Samuels, Esq., LLM**, a partner at Duval & Stachenfeld, LLP, was the Deputy Chief of the New York State Attorney General's Charities Bureau from 1987 to 1995. He is a graduate of Harvard Law School and Harvard College, with an LLM from New York University School of Law. He teaches a

course on charitable organizations at New York Law School, is the current chair of the Non-Profit Organizations Committee of the New York City Bar Association, and is the former cochair of the Non-Profit Organizations Committee of the New York County Lawyers' Association, where he has also chaired a number of continuing legal education programs. He is the lead editor and coauthor of a treatise, *Nonprofit Compensation Benefits*, and *Employment Law*, and has written extensively on nonprofit issues. In addition to counseling nonprofits, he is also an experienced civil litigator and employment lawyer.

**David Shevlin, Esq.**, is an attorney at Simpson Thatcher & Bartlett LLP, where he is Senior Counsel in the Exempt Organizations Group. He advises a variety of international and domestic exempt organizations, including private foundations, public charities, and donor-advised funds. His professional associations include membership with the Exempt Organizations Committee of the American Bar Association Section of Taxation, where he serves as cochair of the Sub-Committee on Tax Shelters and Tax Exempt Organizations, and was a member of the ABA Coordinating Committee on Non-profit Governance. He also served on the editorial board of *White on New York Corporations*, a leading treatise on New York corporate law. He serves on the Board of Directors of Doctors Without Borders USA, and is Chairman of the Administrative Committee of that organization. He also serves on the Board of Directors of Global Film Initiative, a New York charity that promotes cross-cultural education through the medium of film. He earned his JD at New York University, where he graduated magna cum laude and was named a member of Order of the Coif, and earned his BS degree from Cornell University, where he was named a Presidential Scholar.

**M. Antoinette Thomas, Esq.**, is a partner in the firm of Carter Ledyard & Milburn LLP, in New York City, where she specializes in not-for-profit organization law and trusts and estates. She is head of the firm's Tax-Exempt Organizations Practice Group. She is a member of the Exempt Organizations Committee of the Section of Taxation of the American Bar Association and of the Trusts and Estates Section of New York State Bar Association. She is also a former Chair of the Committee on Non-Profit Organizations of the Association of the Bar of the City of New York. She is a graduate of the University of Michigan Law School and the University of North Carolina.

# REGISTRATION FORM

**Important!** Please use one registration form per person. This form may be photocopied.

To register, fill in the registration information in the space provided. Be sure to include your certificate number and your full payment.

Mail your payment and registration form to:

**Foundation for Accounting Education**  
**P.O. Box 34782**  
**Newark, NJ 07189-4782**

Or Register online at [www.nysscpa.org](http://www.nysscpa.org).

Or fax it to: (212) 719-3365.

Or phone (212) 719-8383 or (800) 537-3635.

Credit card information must accompany all fax, phone, and online registrations. Please be sure to type or print clearly when faxing.

## 2006 Exempt Organizations Conference

**Tuesday, December 5, 2006, Time**

New York Marriott Marquis Time Square,  
1355 Broadway, at 45th Street New York, NY 10036  
8:45 a.m.–5:10 p.m. (Check-in begins at 8:15 a.m.)  
Course Code: 25507711

### Concurrent Sessions: Select One Each:

11:25 a.m.–12:35 p.m.

1. Private Foundations  
 2. Form 990

2:55–4:00 p.m.

5. Lobbying  
 6. Donor-Advised Funds

1:35–2:45 p.m.

3. Intermediate Sanctions  
 4. Tax Consequences

4:10–5:10 p.m.

7. Executive Compensation  
 8. Unrelated Business Income

Today's Date \_\_\_\_\_

Are you a CPA?  Yes  No Member NYSSCPA?  Yes  No

Membership ID No. \_\_\_\_\_

Member AICPA?  Yes  No Member ID No. \_\_\_\_\_

Name (Print) \_\_\_\_\_

Title (Print) \_\_\_\_\_

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· All registrations accepted are subject to the POP Administrative Guidelines covering the POP Program.

### Total Amount Enclosed

[ ] attendee(s) at Member Fee: \$350 Total Amount: \$ \_\_\_\_\_

[ ] attendee(s) at Nonmember Fee: \$450 Total Amount: \$ \_\_\_\_\_

### Method of Payment

Check payable to FAE  American Express  MasterCard  Visa

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06-0920

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## Registration Information

**How to Register:** Simply complete the attached registration form in full and return it with full payment by mail or fax. Or phone or register online at [www.nysscpa.org](http://www.nysscpa.org). Registration forms may be photocopied, but please use a separate form for each registrant. Payment may be made by check or may be charged to American Express, MasterCard, or Visa. All registrations must be received 10 days prior to the event in order to guarantee a seat and course materials. Allow approximately 10 days for your return confirmation. Registrants who do not receive a confirmation card before the conference must call FAE Registration to confirm registration status. Individuals who have not registered before the 10-day cutoff must call to determine space availability. Advance paid registrants will be seated first. For space availability and registration information, call FAE Registration at 212-719-8383 or 800-537-3635 from 8:30 a.m. to 5:30 p.m., Monday through Friday. Participants with special requirements should notify FAE staff at least 10 days in advance of the event.

**Refunds:** No refund will be given for cancellations received less than two weeks prior to the program date. A \$25 processing fee will be deducted from refunds for cancellations received more than two weeks prior to program date.

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**Transfers:** FAE allows a registrant to transfer to another program or substitute another person without a penalty more than two weeks prior to the program date. Transfers and substitutions requested less than two weeks prior will be charged a \$25 processing fee.

**Walk-ins:** All individuals who register on the date of the program will be charged an additional \$25 fee.

**Program Hours:** Check-in begins at 8:15 a.m. Program begins at 8:45 a.m. and ends at 5:10 p.m.

**Mandatory Continuing Education Requirement:** This program complies with the standards set forth by the New York State Education Department for mandatory continuing education for CPAs. FAE's New York State CPE sponsor number is 000372.

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