



NON PROFITGPS

HELPING TO KEEP YOU ON THE RIGHT ROAD



Stay Alert this Holiday Season



It's a good idea to stay "in the know" when it comes to the latest tricks by scammers. Here are several places to help you stay informed. First is the Federal Trade Commission's listing of current scams. Type "FTC scam alerts" into your web browser for the most current guidance, including shareable recommendations. The FTC developed a new website called "passing it on" loaded with information about different types of scams.

Open enrollment scams are typical for this time of year and AARP has a Fraud Watch Network at aarp.org/fraud with tips, current scams, and an outsmart scammers challenge (with cash prizes) to help you out. They also provide suggestions to battle scammers including: opting for electronic rather than paper bank statements, shredding confidential information, freezing your credit report, using credit cards and mobile payments rather than debit cards, adding your name to the National Do Not Call Registry (they acknowledge it doesn't always work, but it helps), avoiding public Wi-Fi (especially for banking and shopping), using care when sharing on social media, and being wary of scam recovery pitches.

Published by
Heveron & Company
585-232-2956

INSIDE THIS ISSUE:

Stay Alert this Holiday Season	1
A Straight Answer About Disclosing Donor Information in Your 990	2
Giving Is Healthy for Donors	2
Kimberly Emilo Is Named a Principal of Heveron & Company CPAs	3
Charter School Resources Are Being Funded by the Bill and Melinda Gates Foundation	3
Updated Procedure for Publication of Your School's Racially Nondiscriminatory Policy	3
Form 1099-MISC Filing Reminder	3
WebStar Winner: Partners in Restorative Initiatives (PIRI)	4





A Straight Answer About Disclosing Donor Information in Your 990

Donor names and addresses are required to be reported on form 990, Schedule A, for charities and other nonprofits. Although this information is not public, some states including New York, require it.

This requirement is confusing because, since Richard Nixon's days in office, nonprofit organizations were required to provide donor names, addresses, and amounts for those giving more than \$5,000 in a fiscal year. The current administration changed this by eliminating the requirement for some nonprofit organizations.

As a result some states, including New York, sued the IRS; stating they needed this information. A District Court judge ruled the IRS did not give proper public notice about the change; therefore, this change was improper and donor information is still required.

If you have a printed copy of the 990 instructions from early or mid 2019 when many of the 990s were being prepared, the "What's new?" section of the instructions stated donor names and addresses weren't necessary for some nonprofits to share, however, the current online instructions have eliminated that section.



Giving Is Healthy for Donors

The biggest giving season of the year is an exciting time to learn giving is good for donors. The *StarTribune* recently reported the advantages of giving and helping others.

First, they shared that analysts find the number of givers are shrinking but the dollars continue to increase each year. Volunteering time, money, and energy to help others doesn't just make the world better, the very act of giving back boosts happiness, health, and sense of well-being. The article states giving improves one's ability to manage stress, stave off disease, and enhances a person's social life. They also report altruism is contagious, causing a chain reaction. Giving makes us happy and even lowers blood pressure. Make sure your donors know!

They also reported teenagers who volunteer have better grades and self-image, and for the elderly, giving provides a sense of purpose and satisfaction, particularly if they no longer define themselves by their work or parenting.

PIRI, Partners in Restorative Initiatives (a treasure in our own community) recently shared notes from a conference. Their observations were in sync with the *Star Tribune* article confirming altruism is contagious and that giving lowers blood pressure and hypertension. They also observed things we do for ourselves are gone when we have passed, but what we do for others remain as our continuing legacy.

We thought you might want to share this news with your constituents this holiday season.





Kimberly Emilo Is Named a Principal of Heveron & Company CPAs

Kim joined Heveron & Company CPAs shortly after graduation from SUNY Brockport in 2005. She serves a variety of nonprofits, including schools, human service and religious organizations. She's a long-time supporter of Literacy Volunteers formerly serving as treasurer and currently acting as a member of their fundraising committee.

Kim has a knack for finding ways to help her nonprofit clients by providing her experiences and resources to improve the organization's efficiencies and internal controls. She continuously sharpens her skills through continuing education to meet all of the requirements of the AICPA, the New York State Society of CPAs, and also Governmental Auditing Standards.

Kim epitomizes our values of building trust with care, competence, and common sense. Congratulations, Kim!

Charter School Resources Are Being Funded by the Bill and Melinda Gates Foundation

The Bill and Melinda Gates Foundation supports *Chalkbeat*, a nonprofit news organization focused on improving schools. The Foundation recently made grants to the National Center for Special Education in Charter Schools, the National Alliance for Public Charter Schools, and the National Center for Learning Disabilities. The grants, exceeding \$3 million, are intended to grow networks of schools and improve curriculum with a focus on special education integration.

The Foundation plans to spend \$1.7 billion over the next five years on US education, about 15% of which will go to charter school initiatives.

Updated Procedure for Publication of Your School's Racially Nondiscriminatory Policy

Schools have been required to publish their racially nondiscriminatory policies since 1975 in newspapers or through broadcast media. Now, schools can comply with this IRS requirement by publishing their policy online.

The older methods are still allowable, including publication in a newspaper of general circulation in the area serving all racial segments of the community or via broadcast media in the school's service area that is expected to be effective.

To fulfill the requirement online, the policy needs to be publicly accessible on the home page throughout the tax year; the prominence of the publication is important. IRS says there should be a reasonable expectation it will be noticed by visitors to the home page. There shouldn't be any special login, searching, or link to another web page.

Of course, regardless of the method that is chosen, the school needs to demonstrate it is following the policy.

Form 1099-MISC Filing Reminder

Forms 1099-MISC are due by January 31, 2020 (to both the IRS and recipients). Extensions for the IRS copy no longer exist even if you file electronically.

These forms are required to be submitted if you pay \$600 or more to individuals or unincorporated businesses during the calendar year. Unincorporated businesses include partnerships and limited liability companies such as professional limited liability companies (like Heveron & Company CPAs, PLLC). Penalties can be assessed for late filing or filing with incorrect information.

You should gather the information to prepare the forms as early as possible to meet the deadline. Request names and Social Security or ID numbers, using form W-9, from anyone you may be required to provide a 1099. Go to irs.gov/pub/irs-pdf/fw9.pdf to obtain a copy.

Typical recipients of forms 1099 include:

- Attorneys
- Consultants
- Architects and engineers
- Providers of management services, rent, cleaning, repairs, maintenance, snow plowing, decorating, painting and remodeling services, etc.

There are exceptions for certain types of payments. Contact us if you have questions. You can also review the instructions on page 25 of the general instructions for forms 1099. Go to irs.gov/pub/irs-pdf/i1099gi.pdf.



260 Plymouth Avenue South
Rochester, NY 14608

NON PROFITGPS

HELPING TO KEEP YOU ON THE RIGHT ROAD

Published by Heveron & Company CPAs



HEVERON & COMPANY
WEBSTAR

This Month's WebStar Winner Is:

Partners in Restorative Initiatives (PIRI): pirochester.org

We have been fans of Partners in Restorative Initiatives (PIRI) because of their commitment to reduce conflict in our area—and particularly in our local schools. We didn't know everything they do until they provided a Talking Circle at our recent firm day (our annual, off-site day devoted to confirming our values of building trust with care, competence, and common sense).

We had no idea how emotionally powerful the Talking Circle would be. It brought all of us closer together as we learned things we never knew. This activity helped us understand how conflict can be reduced and relationships rebuilt even in the most challenging situations.

Their website has numerous resources, links to their newsletter, and information about their services and training. It's well worth a visit.

