

UNDERSTANDING NONPROFIT AND FOR-PROFIT CULTURES



U.S. ARMY



US Army Corps
of Engineers





What is a Nonprofit Organization?



- A 501(c) organization is a nonprofit organization in the federal law of the United States according to Internal Revenue Code Section 501(c) (26 U.S.C. § 501(c)) and is one of over 29 types of nonprofit organizations exempt from some federal income taxes.
- Many states refer to Section 501(c) for definitions of organizations exempt from state taxation as well.
- 501(c) organizations can receive unlimited contributions from individuals, corporations, and unions. However, contributions to certain types of 501(c) organizations are not tax deductible.



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Types of Nonprofits



| Type | Description | Contributions Deductible? |
|------------|--|-------------------------------|
| 501(c)(1) | Corporations Organized under Act of Congress (including Federal Credit Unions) | Yes |
| 501(c)(2) | Title Holding Corporation For Exempt Organization | No |
| 501(c)(3) | Religious, Educational, Charitable, Scientific, Literary, Testing for Public Safety, to Foster National or International Amateur Sports Competition, or Prevention of Cruelty to Children or Animals Organizations | Yes <i>**Most common type</i> |
| 501(c)(4) | Civic Leagues, Social Welfare Organizations, and Local Associations of Employees | No, generally |
| 501(c)(5) | Labor, Agricultural, and Horticultural Organizations | No |
| 501(c)(6) | Business Leagues, Chambers of Commerce, Real Estate Boards, etc. | No |
| 501(c)(7) | Social and Recreational Clubs | No |
| 501(c)(8) | Social and Recreational Clubs | Yes |
| 501(c)(9) | Voluntary Employees Beneficiary Association | No |
| 501(c)(10) | Domestic Fraternal Societies and Associations | Yes |
| 501(c)(11) | Teachers' Retirement Fund Associations | No |
| 501(c)(12) | Benevolent Life Insurance Associations, Mutual Ditch or Irrigation Companies, Mutual or Cooperative Telephone Companies, etc. | No |
| 501(c)(13) | Cemetery Companies | Yes |
| 501(c)(14) | State-Chartered Credit Unions, Mutual Reserve Funds | No |



Types of Nonprofits



| Type | Description | Contributions Deductible? |
|------------|--|---------------------------|
| 501(c)(15) | Mutual Insurance Companies or Associations | No |
| 501(c)(16) | Cooperative Organizations to Finance Crop Operations | No |
| 501(c)(17) | Supplemental Unemployment Benefit Trusts | No |
| 501(c)(18) | Employee Funded Pension Trust (created before June 25, 1959) | No |
| 501(c)(19) | Post or Organization of Past or Present Members of the Armed Forces | No, generally |
| 501(c)(21) | Black Lung Benefit Trusts | No |
| 501(c)(22) | Withdrawal Liability Payment Fund | No |
| 501(c)(23) | Veterans' Organization (created before 1880) | No, generally |
| 501(c)(25) | Title Holding Corporations or Trusts with Multiple Parent Corporations | No |
| 501(c)(26) | State-Sponsored Organization Providing Health Coverage for High-Risk Individuals | No |
| 501(c)(27) | State-Sponsored Workers' Compensation Reinsurance Organization | No |
| 501(c)(28) | National Railroad Retirement Investment Trust | No |
| 501(c)(29) | CO-OP health insurance issuers | No |

What Do Non-Profits Want?

- Mission fulfillment – **For Impact!**
- Opportunity to expand its resources
- Respect: 2-way partnership – not your ATM
- Community recognition
- Long term relationship





Common Myths About Non-Profits



- Non-profits are not accountable
- Non-profits are not businesses
- Non-profits cannot make a profit (It's not really not-for-profit, but instead = For impact)
- Non-profits can't lobby



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<https://www.guidestar.org/search>

990 information on foundations

What it tells you:

- Size/operating budget of organization
- Total revenue and source of revenue
- Total expenses
- Cash reserves
- How much top employees make in salary

*Depending on how much the organization earns, the form may have limited information (lower earning) or very detailed info (higher earning)

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Form **990** **Return of Organization Exempt From Income Tax** OMB No 1545-0047
2012
 Department of the Treasury Internal Revenue Service **Open to Public Inspection**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)
 The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2012 calendar year, or tax year beginning 01-01-2012, 2012, and ending 12-31-2012

B Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization: OZARKS RIVERS HERITAGE FOUNDATION
 Doing Business As:
 Number and street (or P.O. box if mail is not delivered to street address): 4500 STATE HIGHWAY 165
 Room/suite:
 City or town, state or country, and ZIP + 4: BRANSON, MO 65616

D Employer identification number: 27-2075137
E Telephone number: (417) 334-0160
G Gross receipts \$ 951,644

F Name and address of principal officer: ALAN CHIP MASON, 4500 STATE HIGHWAY 165, BRANSON, MO 65616

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list (see instructions)
H(c) Group exemption number ▶

I Tax-exempt status: 501(c)(3) 501(c) () ◀ (insert no) 4947(a)(1) or 527

J Website: WWW.TABLEROCKDAMTOURS.COM

K Form of organization: Corporation Trust Association Other ▶
L Year of formation: 2010
M State of legal domicile: MO

Part I Summary

1 Briefly describe the organization's mission or most significant activities:
 PROVIDE SUPPORT FOR THE US ARMY CORP OF ENGINEERS RECREATIONAL FACILITIES

2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets

| | | | |
|------------------------------------|--|-----------|----|
| Activities & Governance | 3 Number of voting members of the governing body (Part VI, line 1a) | 3 | 7 |
| | 4 Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 7 |
| | 5 Total number of individuals employed in calendar year 2012 (Part V, line 2a) | 5 | 17 |
| | 6 Total number of volunteers (estimate if necessary) | 6 | 40 |
| | 7a Total unrelated business revenue from Part VIII, column (C), line 12 | 7a | 0 |
| | 7b Net unrelated business taxable income from Form 990-T, line 34 | 7b | 0 |

| | | Prior Year | Current Year |
|----------------|---|------------|--------------|
| Revenue | 8 Contributions and grants (Part VIII, line 1h) | 5,681 | 674 |
| | 9 Program service revenue (Part VIII, line 2g) | 222,224 | 784,365 |
| | 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 0 | 150 |
| | 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 33,558 | 79,485 |
| | 12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 261,463 | 864,674 |
| Uses | 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 0 | 0 |
| | 14 Benefits paid to or for members (Part IX, column (A), line 4) | 0 | 0 |
| | 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 68,189 | 238,106 |
| | 16a Professional fundraising fees (Part IX, column (A), line 11e) | 0 | 0 |



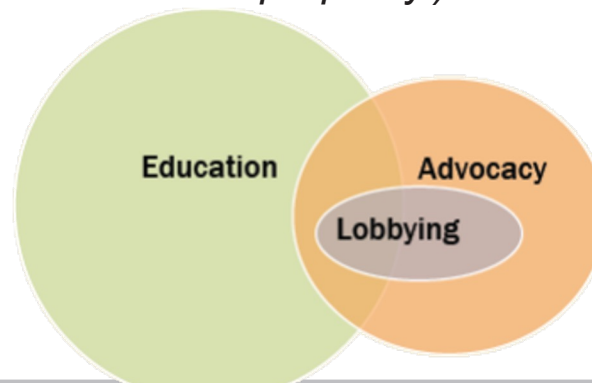


Non-Profit Advocacy/Lobbying



- Public lands and non-profits have opportunities and needs that are affected by the choices of legislators and policy makers.
- 501 (c)(3) organizations can engage in education, advocacy, and lobbying (in limited quantities: 20% of a non-profit's \$ and time can go to lobbying) that furthers their charitable purpose
- Government employees may NOT engage in lobbying as part of their professional lives but can as private citizens**

*** (Caution: Be careful to avoid the appearance of impropriety.)*





Benefits of Non-Profit Advocacy



- Enhance agency reputation
- Attract partners
- Support agency priorities
- Leverage federal funding with other sources and volunteers
- Inform public

NOTE: Local advocacy is very important! Elected officials pay more attention to what's shared in their media outlets than what's in the Washington Post or national news. New authorities rise from the constituents.



Non-Profit Advocacy/Lobbying

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- Education: Providing **unbiased** info to the government or public
 - Ex: “The Corps legal decision to terminate cooperative joint management agreements affected operations of 8 coop associations, 34 parks and 4 visitor centers.”
- Advocacy: Sharing info with legislators, executive branch or the public to **influence** them, but not a specific legislation or call to action
 - Ex: “The Corps really needs to have the ability and legal authority to have cooperative joint management agreements to benefit the public and its partners.”
- Lobbying: Attempts to **influence specific** government decisions or actions. Reflects a viewpoint and is a call to action.
 - Ex: “Please support /vote “Yes” on HR 4100 LOCAL Act and the S 2055 Corps of Engineers Cooperative Joint Management Restoration Act”



Partnering with For-Profit Organizations

Corporate Giving Impact



- ❑ \$21.08 billion annually
 - ❖ 9 out of 10 companies match employee donations
 - ❖ 49% direct cash; 33% foundation cash; 18% non-cash
 - ❖ 3% to environmental causes and programs
- ❑ 81% have a corporate foundation
- ❑ 56% have formal paid-release time volunteer programs
- ❑ Corporate giving continues to rise
- ❑ Trends
 - ❖ More focused giving (cause and trust)
 - ❖ High priority on matching gift and employee engagement programs
 - ❖ International giving is on the rise (led by manufacturing companies)



What Do Corporations Give?

- Funding
- In-kind goods and services
- Volunteers
- Industry expertise
- Promotion and communication



Why Do Corporations Give?



Social responsibility

- ❖ Care about the cause
- ❖ To be citizens, not just residents

Marketing

- ❖ Internal and external customers
- ❖ Employees involved in something “greater”
- ❖ Market share or competitive advantage

Public Relations

- ❖ Key leaders have tie to the cause
- ❖ Industry experience sharing
- ❖ Influence





Why Would Corporations Give to Corps Projects?



- ❑ Think broader than Corps... we provide access/network to:
 - ❖ Our friends groups and cooperating associations
 - ❖ Our established MOU partners
- ❑ Match between the land's needs and corporate interests
- ❑ Variety of volunteer opportunities
- ❑ Testing of products
- ❑ We manage areas that impact their industry
 - ❖ Tourism
 - ❖ Outdoor recreation
- ❑ Government connection
- ❑ Employee retention (lifestyle/community building)
- ❑ Past success – trust



Rend Lake *Where the Fun Begins!*



Where to Meet/Find Corporations

- Partners of current partners
- Chambers, economic development and civic groups
- Look at which corporations are within 100 miles of your project
- Internet – NRM Gateway & corporations with common goals
- Current State partnerships with corporations
- Topical conferences/trainings (conservation, tourism...)





Exercise: What Non-Profits and For Profits are in Your Community?

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- Take 10 minutes to jot down organizations that are within 50-100 miles of your project.
- Think ~~outside the box~~ like there is no box!
- Even organizations that seemingly have no connection to the Corps may have an interest in working with us.
- We will discuss some of the suggestions





How to Approach a Corporation or Non-Profit



- ❑ Research and understand the organization before approaching
 - ❖ What is their mission and future goals
 - ❖ Social responsibility and community engagement
 - ❖ Past giving
 - ❖ Bring friends that already have a relationship to the table

- ❑ Personal contact
 - ❖ Set up a meeting with foundation director or community outreach point of contact
 - ❖ First meeting is getting to know each other – follow their lead based on interest
 - ❖ If mutual interest, set up second meeting and offer to bring proposal

- ❑ Simple, to the point partnership proposal
 - ❖ Don't lead with a bunch of policy and paperwork
 - ❖ Benefits to them and for the public (Corps)
 - ❖ What we can offer to the partnership and what we need
 - ❖ Plan for recognition and public relations



Corporate Social Responsibility

Many corporations have a commitment to volunteerism or donating to causes important to the organization

Volunteer Page on the Gateway has some resources to get you thinking

- [Policy & Procedures](#)
 - [Volunteer Forms](#)
 - [Program History](#)
 - [Training](#)
 - [Volunteer.gov](#)
 - [Job/Activity Hazard Analyses](#)
 - [National Public Lands Day](#)
 - [Division & District POCs](#) 
 - [Volunteer Awards](#)
 - [Workamper News](#)
 - [Corporate Social Responsibility/Volunteer Programs](#)
- [News / Current Issues](#)
 - [FAQs](#)
 - [Good Enough to S](#)
 - [Volunteer Clothing](#)
 - [Volunteer Plans an](#)
 - [Related Sites](#)
 - [Background Check](#)
 - [Corps Photo Album](#)
 - [Volunteer Pass Pro](#)
 - [Volunteer Program](#)



Corporate Social Responsibility-Volunteer Programs-Feb20201.xlsx - Excel

| 1 | Corporation | Title | Paid Volunteer Day | \$ Matching Program | Standard Grant Program | How it works |
|-----|-----------------------------------|--|--------------------|---------------------|------------------------|---|
| 91 | Salesforce | Employee-Inspired Giving | X | X | | 7 days PTO ex |
| 92 | Sherwin-Williams | Sherwin-Williams Matching Gifts Program, The Sherwin Williams Foundation | Unknown | X | X | Matching \$ d |
| 93 | Southwest Airlines | Tickets for Time | Unknown | X | | Employees ar them through Employee vol to allow emp |
| 94 | Spectrum (Charter Communications) | Spectrum foundation | | | X | Grants are giv food drives, r |
| 95 | Starbucks | Matching Gifts program | Unknown | X | | Match emplo year. |
| 96 | State Farm Insurance | Community Service/Education Support Day | X | X | X | Employees ar offers matchi volunteer pro |
| 97 | SunTrust Banks | OnUp Together | X | Unknown | | All full-time e |
| 98 | Time Warner | IMPACT: A Pact to Act | X | X | X | Matching gra training, Turn Volunteers lo |
| 99 | TransUnion | | X | X | | 1 paid work d |
| 100 | Tyson Foods | Team member giving | | X | | \$12 match fo |
| 101 | Under Armour | Philanthropy | X | | | 32 hours of p |

Questions?

