

Understanding California Nonprofit Organizations

San Francisco & Live Webcast

November 18, 2024

9:00 am - 12:30 pm PT

Why You Should Attend

This program is directed to attorneys who work with and within nonprofit organizations formed or operating in California. The faculty will provide up-to-date guidance on governance and operational issues for nonprofits, including choice of entity matters, creation and termination of nonprofit organizations, best practices for boards of directors and officers, protection of charitable assets, fundraising, and an overview of relevant business matters such as staffing, advocacy and lobbying work by nonprofits, and protection of intellectual property assets.

What You Will Learn

After completing this program, participants will be able to:

- Understand unique characteristics of the regulatory framework for nonprofit organizations formed or operated in California
- Understand areas of law specific to nonprofit organizations, including laws regulating fundraising, advocacy, and management of charitable assets
- Better advise California nonprofit organizations on key elements of their life cycle
- Learn how to apply to the operation of nonprofit organizations laws also relevant to for-profit business entities

Who Should Attend

This session is appropriate for attorneys who want to expand their knowledge of the regulation of nonprofits organized or operating in California. Attorneys who currently serve nonprofit clients, attorneys who would like to expand their practice to include new nonprofit clients (including pro bono clients), and attorneys and other individuals currently employed by nonprofit organizations, may all benefit from this session.

AGENDA

9:00

Opening Remarks

Nancy E. McGlamery

9:10

The California Nonprofit Landscape: Choice of Entity Issues & Essentials of Nonprofit Corporate Governance

This session will provide a high-level overview of the nonprofit sector in California, including a review of key federal and state regulators overseeing nonprofit organizations. The presentation will describe and compare the many forms of nonprofit organizations in California, including nonprofit public benefit corporations, nonprofit mutual benefit corporations, nonprofit religious corporations, charitable trusts, and nonprofit unincorporated associations, addressing common use cases for each. The faculty will also compare California nonprofit public benefit corporations and Delaware nonprofit nonstock corporations, addressing choice of entity matters that affect the decision to incorporate in California, Delaware, or elsewhere. The faculty will also explain essentials of nonprofit governance in California, including fiduciary duties of nonprofit directors and officers, how to identify and manage regulated conflicts of interest, and best practices for common governance issues. After completing this session, participants will be able to:

- Identify the key federal and state agencies that regulate California nonprofit organizations
- Distinguish the types of nonprofit organizations in California and understand the purpose and unique features of each
- Analyze choice of jurisdiction for formation of a nonprofit organization
- Understand laws governing director and officer fiduciary duties and conflicts of interest

Shirley J. McLaughlin, Carol Bradford Worley

10:10

Networking Break

10:20

Life Cycle of a California Nonprofit Organization

This session will open with an overview of the requirements for forming, registering, and securing tax exemption for charitable nonprofit organizations in California. The faculty will address the unique regulatory

framework that applies to organizations engaged in fundraising in California, including relatively recent developments in California laws governing online fundraising platforms. In addition to reviewing certain laws specific to operating a charitable organization in California, the faculty will also discuss how California governs use of charitable assets, distinguishes unrestricted and restricted assets, and regulates management and investment of assets held by charitable institutions. The session includes an overview of the California Nonprofit Integrity Act of 2004 and its impact on the financial management and disclosure obligations of California nonprofit organizations. The faculty will also address how California regulates major milestones in the life cycle of a nonprofit organization, including mergers, dispositions of assets, and dissolutions. After completing this session, participants will be able to:

- Understand the process for forming a California nonprofit corporation
- Determine required California filings at various stages in a nonprofit organization's life cycle and understand key drafting issues
- Distinguish different types of fundraising in California and the regulatory requirements for each
- Understand and apply key elements of the California Nonprofit Integrity Act of 2004

Shirley J. McLaughlin, Carol Bradford Worley

11:20

Networking Break

11:30

Getting Practical: Employment Matters, Advocacy, and Intellectual Property Issues for Nonprofit Organizations

Nonprofit organizations have many of the same legal issues as business entities, but often with additional legal constraints. This session will address several areas of law impacting operation of California nonprofits, including: (1) employment issues, including compensation matters, personnel classification, risk management for volunteers, and other labor law issues; (2) federal and state law constraints on advocacy by nonprofit organizations, including political activity and legislative lobbying; and (3) common intellectual property and data privacy concerns. After completing this session, participants will be able to:

- Understand employment law issues affecting California nonprofit organizations and their personnel
- Apply federal and state laws governing advocacy by nonprofit and tax-exempt organizations

- Understand common intellectual property and data privacy issues affecting nonprofit organizations in California

Shirley J. McLaughlin, Carol Bradford Worley

12:30

Adjourn

Faculty

Chair:

Nancy E. McGlamery

Principal

Adler & Colvin

San Francisco, CA

Shirley J. McLaughlin

Principal

Adler & Colvin

San Francisco, CA

Carol Bradford Worley

General Counsel

California Community Foundation

Los Angeles, CA

Senior Pro Bono Program Attorney: Christina Thompson