

**MBA 739 – Not-for-Profit Organizations**  
**Adjunct Graduate Business Faculty: Sally Little**  
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**Winter Term 2009—Tuesday—5:45 to 9:45 pm**

**Introduction:**

This course focuses on the management of not-for-profit enterprises under circumstances of increasing competition for funding and greater pressure to show efficiency and effectiveness. It is designed as an introductory course for persons interested in achieving the not-for-profit specialization under the MBA program or any graduate student interested in understanding this third sector of our economy. It also serves as an elective for those persons pursuing a masters of arts in pastoral leadership. Specific topics of interest include organizational structure and development, governance, board relations, management of volunteers, strategic alliances, capacity building, and executive leadership.

The goal of this course is to engage students in exploring the key aspects of superior performance in established not-for-profit organizations. It is hoped that this course will spark the imagination of the future leaders both the for profit and not-for-profit communities as they become change agents and seek to solve some of our most challenging social problems.

**Course Objectives:**

Students completing this course will understand:

- The historical and present day role of not-for-profits in our society
- How to establish a nonprofit tax-exempt corporation
- The interface of state and federal rules and regulations and how they affect governance
- How not-for-profit organizations are governed
- The importance and challenges of executive leadership and its transition
- The expected expansive growth of volunteers and designing an effective management scheme
- The efficiencies of coordination, collaboration, and mergers
- The complexities of managing a foundation

**Course Requirements:**

Grading is based on the following:

### **10% -- Class Discussion**

All students must come to class prepared to participate in the interactive lectures, discussion, and case analysis. Students will be graded on their ability to initiate and sustain class discussion. All students will be called upon in class whether he/she has indicated a desire to be approached or not.

### **10% -- Weekly Written Class Reflection**

This paper is due to me by email by 8:30 pm on the Tuesday preceding class. Please limit your comments to two pages, double-spaced. The paper should include what you felt were the salient points of the lecture, class activity, and readings and your comments on them. This is the student's opportunity to assure the instructor that the student is understanding the course content.

### **30% -- Midterm**

A midterm will be given at the beginning of class five. It will cover the materials presented to that date. Much of this information is critical to establishing your knowledge base as a not-for-profit practitioner.

### **30% -- Written Project**

### **20% -- Presentation of the Project**

All projects will be presented during the last class of the quarter. This project will be based on a topic that is relevant to managing a not-for-profit organization. More information on this project will be given in class. Pending the number of students in the class, this may or may not be a group project. There will be no written final exam for this class.

Attendance is mandatory. If you are unable to attend class, please contact Ms. Little as soon as possible. If you are unable to attend class due to illness or a family emergency, make-up work will be assigned.

### **Required Text:**

**The Jossey-Bass Handbook of Nonprofit Leadership & Management, Second Edition**, Robert D. Herman & Associates, 2005, ISBN: 0-7879-6995-8

**Course Schedule:**

**January 13, 2009**

**Class One—Introduction to Not-For-Profit Organizations**

**Lecture:**      Role of Not-For-Profit Organizations presently and historically  
Review of course and expectations

**Reading:**

- 1)      **Jossey-Bass**, Chapter One – “Historical Perspectives on Nonprofit Organization in the United States,” pp. 3-28
- 2)      **Jossey-Bass**, Chapter Two – “Nonprofit Organizations and Social Institutions,” pp. 39--60

**Discussion:** What does charitable mean? A look at nonprofit medical facilities--

**January 20, 2009**

**Class Two—State of Hawaii nonprofit corporation requirements and issues**

**Lecture:**      Forming a Nonprofit Corporation in the State of Hawaii and continuing State of Hawaii regulations

**Reading:**      **Jossey-Bass**, Chapter Three – “The Legal Framework of the Nonprofit Sector in the United States

**Discussion topic:** Private Inurement

**January 27, 2009**

**Class Three – Filing for IRS Tax-exempt status**

**Lecture:** Filing for IRS tax-exempt status and governance requirements

**Reading:** Review and have available for class a Form 1023 and its instructions. These are available at [www.irs.gov](http://www.irs.gov).

**Scenario Analysis:** We will look at cases that have been denied tax-exempt status and the role of faith related nonprofits and the IRS.

**February 3, 2009**

## **Class Four—Federal Regulations regarding tax-exempt organization and their relationship to governance**

**Lecture:** Form 990 and its requirements, Sarbanes Oxley, and governance best practices

**Reading:**

Please review and have available at class a copy of the IRS Form 990

Handout on Sarbanes Oxley Act of 2002 – this will be provided to you prior to class

**Discussion topic:** Excessive compensation

**February 10, 2009**

## **Class Five—Midterm and Introduction to Board of Directors**

**Lecture:** Board structures, committees, selection and meetings

**Reading:**

**Jossey-Bass**, Chapter Six—“Board Leadership,” pp. 131—152

**Speaker:** To be announced

**February 17, 2008**

## **Class Six—Managing a Not for-Profit Corporation**

**Lecture:** Being a nonprofit executive—the ride of your life

**Reading:**

- 1) **Jossey-Bass**, Chapter Seven—“Executive Leadership,” pp. 153-170
- 2) **Jossey-Bass**, Chapter Nine – “Ethical Nonprofit Management,” pp. 205-227.

**Speaker:** Cheryl Kauhane Lupenu, CEO, YWCA of O’ahu

## **February 24, 2009**

### **Class Seven—Volunteers – a Not-For-Profit’s Link to the Community**

**Lecture:** Get ready for the “boomers” – how to manage this influx of volunteers

#### **Reading:**

- 1) **Jossey-Bass**, Chapter Thirteen—“Designing and Managing Volunteer Programs,” pp. 310-339
- 2) **Jossey-Bass**, Chapter Twenty-two – “Keeping the Community Involved: Recruiting and Retaining Volunteers,” pp. 587-622.

**Speaker:** Eric Batalon, Volunteer Coordinator, Lanakila Pacific

## **March 3, 2009**

### **Class Eight—Strategic Alliances**

**Lecture:** Coordination, Collaboration, and Mergers

**Reading:** **Jossey-Bass**, “Strategic Alliances,” pp. 254-273.

**Speaker:** Liz Chun, Executive Director, Good Beginnings Alliance

## **March 10, 2009**

### **Class Nine—Managing Foundations**

**Lecture:** The complexity of managing a foundation

**Reading:** To be provided

**Speaker:** Janis Reischmann, Executive Director, Hau’oli Mau Loa Foundation

## **March 17, 2009**

### **Class Ten**

Class presentations