

MBA 739 – Not-for-Profit Organizations
Adjunct Graduate Business Faculty: Sally Little
President, Entrepreneurial Solutions, LLC
slittle@hawaii.rr.com; 808-623-1230
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.

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 Lupenue, 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