

Ohio Attorney General's Charitable Advisory Council
October 14, 2009

Minutes

Participants: George Espy, chair, Barbara Baker, Bradley Bebout, Jack Diamond, Mary Gallagher, Joyce Garver Keller, Kip Morse, Prof. Stephanie Moulton, David Spialter, Jennifer Williams. Others present: Jennifer Greening, BBB, Attorney General Richard Cordray and AG staff members: Monica Moloney, Pete Thomas, Todd Dieffenderfer, Russell Hughlock and Beth Short.

1. Mr. Espy called the meeting to order and participants introduced themselves.
2. Ms. Short reviewed the materials for the meeting.
3. On motion of Ms. Keller, seconded by Mr. Bebout, minutes of the previous meeting were approved.
4. Mr. Thomas reviewed a draft of a rule revision prepared by Section staff that would affect the charitable registration process. The rule would require organizations to file online, which would relieve the office of the inefficient and expensive need to do vast amounts of data entry. The changes also align the filing and registration requirements more closely to the new IRS requirements for 990 filings and would relieve some of the smaller charities from paying Ohio fees.

Council members discussed the proposals and agreed that the online filing requirements make great sense, even though some small organizations may be hesitant to change. There was a suggestion to insert a reference to other rule sections in a particular portion of the rule proposal to enhance clarity.

The JCARR process for approving rules was explained, as was the ongoing work within the office to enhance the current COIN database system which is used by Charitable Law to track registration and other charitable organization details. The goals of the system enhancements include making the online process easier for charities and more robust for providing information about whether specific charities are compliant with their registration requirements. This functionality will be useful for consumers, as well as grantmakers and other funders. It may be a year before the system overhaul is complete, and the rule would not become effective until the system changes are completed. Therefore, the rule may not be submitted to JCARR until sometime in early 2010.

5. The Council discussed training strategies aimed at increasing the level of understanding about charity board member responsibilities. Members noted that recruiting good board members can be challenging for many organizations and

they expressed appreciation for the Attorney General's comments during the Ohio Association of Nonprofit Organizations luncheon that day expressing a desire to encourage the business community to support community organizations through board service.

Ms. Baker noted that during the OANO conference, she and Ms. Short spoke with an official from the Ohio Department of Health who expressed great interest in having the Attorney General's staff provide training on board governance issues to the nonprofits the department contracts with throughout the state. Mr. Bebout spoke of the need to host trainings in smaller communities since there are not other organizations addressing the issue. He said that the physical presence of the Attorney General's office at a local training adds a great deal of credibility to the importance of the issue. He said the Marion Community Foundation, United Way and another local agency are working with the Charitable Law Section on developing approaches to training in that community. It is hoped that the combination of local funding organizations and the prominence and expertise of the AG's office will elevate the visibility of the issue. Other community foundations are also interested in pursuing similar partnerships, he said. Knox County is also hosting a board training event that the AG's office is conducting.

6. Council priorities were discussed and members shared views on a number of matters. Strategies to address increased attention to board governance were discussed. In addition to live trainings, it was suggested that online resources could be enhanced. One concept was the development of a check list of themes that board members could use to assess their organizations. For areas where a group may be lacking, the web site could provide specific resources and suggestions that would be helpful in addressing the gap.

Prof. Moulton expressed an interest in better understanding the types of complaints that the Section receives. It was determined that an update on those issues will be provided at the next meeting.

7. Arrangements for the next meeting were discussed. Based on the Attorney General's schedule, possible meeting dates for the week of Dec. 14 will be circulated.
8. Meeting was adjourned.

Respectfully Submitted,

Beth Short