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GIANT, IMPORTANT DISCLAIMER: WE AREN'T GIVING LEGAL, TAX OR FINANCIAL ADVICE. PLEASE SEEK YOUR OWN COUNSEL FOR ANY DONATIONS. MANY OF THESE QUESTIONS ARE OPEN TO SOME INTERPRETATION, ARE GENERAL IN NATURE OR ARE UNIQUE TO A PARTICULAR JURISDICTION. <u>ASSUME ALL ANSWERS ARE WRONG UNTIL YOU/YOUR DONOR CONFIRMS WITH HER/HIS ADVISOR.</u>

Q & A from "How to Bedazzle Your Form 990: How Charities Can Use a Boring Tax Form to Optimize Trust and Relationships"
<Apr, 2026>

Curious how you get the folks in finance (who are oriented toward accounting and compliance and generally are charged with preparing the 990) to embrace a storytelling perspective?	Explain to them how donors and watchdog groups are actually using the Form 990—because in many cases, it's the first, and sometimes only, document they're going to look at. It really is the organization's public "report card," and often more influential than anything marketing is putting out. Once you frame it that way, the conversation starts to shift from pure compliance to both compliance *and* communication. You can position this as risk reduction, too—a clearer, more thoughtful 990 means fewer follow-up questions from donors and stakeholders. And if you really want to get their attention, you can always ask: "*Do you want donors calling you with questions?"* That usually gets a reaction and, ideally, a willingness to collaborate before the 990 is finalized.
How can a hospital foundation show that they are giving a grant to the hospital through accounting so that it shows up on line 13? My organization has not been doing this correctly, and I am having a difficult time explaining how to fix this (I'm not an accountant!)	This is ultimately a technical accounting question and should be guided by your auditor or tax preparer. The treatment often depends on whether the hospital is a related organization or an external grantee. In many cases involving related entities, transfers may be reflected differently than traditional grants. Our Dechomai Asset Trust is a supporting org that grants

	hundreds of millions to Dechomai Foundation. So, it shows up as a contribution received to Dechomai Foundation. But hopefully your preparer (or auditor can counsel perhaps the preparer how to best reflect that...or even to provide some narrative. Hope that helps.
Where would that be explained ... a difference in investment income or a difference in fundraising	The distinction will typically be reflected in how revenue is categorized within the return (i.e. Part VIII), with additional explanation, if needed, provided in Schedule O. When in doubt, clarity through narrative is your friend.
'@Robert King I had to show them our terrible Charity Navigator score, which was public, and share it with our CEO, who demanded it get fixed.	External ratings can be a helpful because they're public-facing and leadership and donors *do* look at them, but ***they're not the whole story***, and they shouldn't be treated as the ultimate scorecard. There are plenty of valid reasons an organization may not land a top rating. You might be compensating board members for specialized expertise (think a physician for a medical nonprofit), which can impact how governance is viewed. You might be classifying expenses conservatively, keeping certain costs in administration that could reasonably be allocated to programs. Or you may simply be in a growth phase, where higher administrative investment is appropriate and necessary. So yes, use ratings as a conversation starter. They can absolutely get attention internally. But the goal isn't to "chase the rating." The goal is to make sure your Form 990 tells a clear, accurate story that explains the *why* behind your numbers.
Unfortunately, the auditor has not been helpful despite my asking to fix this for the last three years, but thank you, we are working on it!	Good luck! Sometimes you can find a similar/peer hospital foundation and grant structure and look at their 990. Sometimes that might help move the needle - "this hospital is the same and receives a grant from their foundation, and their 990 looks like this... why is ours different?" Sharing a concrete example often helps move the conversation forward.

Why are there questions about tanning beds? LOL	Why WOULDN'T there be questions about tanning beds? :-) Maybe it is a pre-skin cancer study group? But seriously, the Form 990 includes a wide range of questions tied to specific compliance areas and historical policy concerns. Some may feel obscure or outdated as they reflect regulatory interests at a point in time, even if they don't apply to most organizations.
Many 990s provide reportable compensation, but how can someone interpret Part VII that lists 0 compensation for its key employees? Do 501 (c) (3) trusts not have to provide this information about officers/directors/trustees/etc.?	Bottom line: A $0 doesn't automatically mean no one is being paid. It usually means you need to look a little deeper at how compensation is structured and reported. There are reporting thresholds. "Key employees" are only listed if they meet specific criteria, including compensation, generally more than $150,000 from the organization and related organizations combined. If no one meets that threshold, that section may show $0. Compensation may also be paid through a related organization, so it won't appear where you expect at first glance. In those cases, check the "Compensation from Related Organizations" column and related sections for the full picture. And in some cases, roles may truly be unpaid or volunteer-based, particularly in smaller or founder-led organizations. Charities structured as trusts follow the same disclosure rules.
What level of $ is a substantial contribution?	Greater than $5K OR 2% of total contributions is the general rule. This is particularly relevant for Schedule B reporting (IRS version only).
Do you recommend filing the 990 over the 990EZ, so that you have these opportunities for sharing more information?	Yes, big time!! Filing the full Form 990 can provide significantly more opportunities to tell your organization's story and offer transparency. Great call out.

I'm curious about timely finalization. What guidance do you give nonprofits on timeline? For example, how many months after your fiscal year ends should you be able to finalize your IRS Form 990?	Within 6 months is pretty normal, but equally important is how quickly your organization makes the public-facing version available, on the organization's website for example. HUGE WARNING: The Public copy should NOT include Schedule B donor names... the IRS copy must include that. I see this mistake all the time where charities just post the IRS version. Don't do that!
I'm curious about timely finalization. What guidance do you give nonprofits on timeline? For example, how many months after your fiscal year ends should you be able to finalize your IRS Form 990?	Some exception here is if the charity owns LLC or other K1 investments that always cause delays in tax reporting, which is another consideration, of course.
I've always been curious why the policies section makes you explain more if you answer positively, but if you don't have a policy, you can just check no and move on.... seems a no answer deserves an explanation as much as a yes, if not more so.	Great point - kind of like a "when did you stop beating your dog?"-type question. Either way is kind of weird, but you can always explain in Schedule O. There are a ton of questions that are odd why they are there - like in Schedule M (How many taxidermy gifts did you receive?) ... Who cares??? But there is nothing anywhere in the return that might break out estate gifts, which would be incredibly helpful for researchers. Dr. James is correctly beating the drum for some changes to help with data collection and analysis.
I'm looking at a specific nonprofit that's nearly 50 years old. They do not have ANY numbers in Schedule A, Part II, for the past 5 years' worth of Public Support. How common is that, or what borders on the verge of "illegal" or an "incomplete" 990 from the IRS perspective?	Schedule A is the math, and the proof, behind being called a public charity instead of a private foundation. Part II is where you'd expect to see those 5 years of public support numbers filled in for most long-standing public charities. If it's blank once, maybe it's a mistake. If it's blank for multiple years, that's when you start asking, *"What's really going on here?"*
What is the "typical" turnaround time to see a nonprofit's respective 990 via Candid or other vehicles vs. what is "required"? In other words, if we don't see the past 3 years' worth of a nonprofit's 990, that's Red Flag time, right?	There's commonly a 12 – 18 months delay seeing Form 990s on Candid, etc. If multiple years of Form 990s are not available, that generally is a red flag, not so good. Like a commercial website that has something say it is updated as of (4 years prior to the date you are reading it). Not good.

Which contributions are required to include on the form? And do you suggest including the donor's name? I am noticing that my organization left the donors anonymous on the contributions they listed in Part I under Contributors.	Any over 2% or $5K on Schedule B for the IRS submission, NOT public copy.
In which section can the tipping issue be found?	This is addressed in Schedule A, where the public support test calculates the percentage of support from the general public versus major donors. Organizations typically have a five-year initial period of qualification, after which maintaining the required support levels becomes critical and must be actively managed.