

Trainer Guide

COMPLIANCE BASICS FOR 501(C)3 AND 501(C)4 DEVELOPMENT WRITING



OBJECTIVE:	To empower grant writers to be able to write Internal Revenue Code (IRC)-compliant fundraising materials for 501(c)(3) and 501(c)(4) nonprofit organizations:
TARGET AUDIENCE:	Grant writers for progressive nonprofits
MATERIALS:	Trainer Guide, Training Slidedeck, Participant One-Pager, Pre- & Post-Training Assessments
TIME:	2 hours
RECOMMENDED PACING:	<i>Start to Break-</i> Section 1: 10 min, Section 2: 20 min, Section 3: 40 min <i>Break to End-</i> Section 4: 40 min, Section 5: 10 minutes

TRAINING CONTENTS

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Section 5

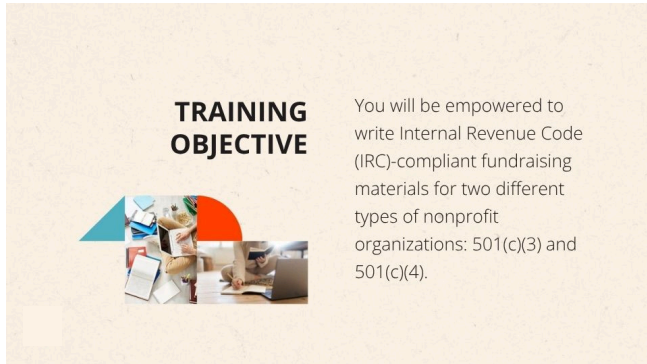
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SECTION 1: INTRO & CONTEXT

Slides 1- 8, Suggested Time: 10 min

SLIDE 1: Main Title Slide

SLIDE 2: Training Objective



TRAINING OBJECTIVE

You will be empowered to write Internal Revenue Code (IRC)-compliant fundraising materials for two different types of nonprofit organizations: 501(c)(3) and 501(c)(4).

The slide features a light beige background with a collage of images on the left showing people working at desks with laptops and papers. To the right of the images is the title 'TRAINING OBJECTIVE' in bold black text, followed by the text describing the training goal.

Trainer Instructions:

- **Clarify** the length of the training
- **Explain** that you will achieve the objective through presentation of 5 training section:
 - Section 1: Intro & Context
 - Section 2: Nonprofit Tools & Funders
 - Section 3: Writing for 501(c)3s
 - Section 4: Writing for 501(c)4s
 - Section 5: Additional considerations
- Offer to answer questions/address concerns

Notes: _____

SLIDE 3: Your Role



YOUR ROLE

It is likely **not your role** to ensure nonprofit compliance.

It is your responsibility to write in a way that reflects an understanding of and commitment to compliance with the IRC.

Nothing in this training should be construed as legal advice.

The slide features a light beige background with a collage of images on the left showing a woman working at a desk with a laptop. To the right of the images is the title 'YOUR ROLE' in bold black text, followed by two paragraphs of text. At the bottom, there is a small italicized disclaimer.

Trainer Instructions:

- **Highlight** that this kind of writing you're discussing here requires a high level of attention to detail and nuance, and an understanding of an organization's risk tolerance.
- **Explain** that this is a capacity building offering, and as such offers guidance and a framework for nonprofit fundraising compliance, not legal advice.
- **Clarify** that that nothing in this training should be construed as legal advice

Notes: _____

SLIDE 4: Importance of Compliance



IMPORTANCE OF COMPLIANCE

- Careful compliance practices help protect our movements and organizations.
- Compliance frameworks vary from organization to organization.
- Funders and donors (should) care about compliance.

The slide features a light beige background with a collage of images on the right showing a person working at a desk. To the left of the images is the title 'IMPORTANCE OF COMPLIANCE' in bold black text, followed by a bulleted list of three points.

Trainer Instructions:

- Expand on each point:
 - #1: **Add:** "Organized attacks on left movements often aim to destabilize, defund, or revoke their tax-exempt status."
 - #2: **Add:** "IRS rules are vague and often poorly understood. Different organizations' approaches to compliance and risk tolerance vary."
 - #3: **Add:** "Demonstrating compliance expertise and competence helps instill confidence and continued support from funders."

Notes: _____

SLIDE 8: Key Terminology

KEY TERMINOLOGY

■ Nonprofit compliance

■ Internal Revenue Code

■ Primary purpose

■ Political activity

■ Independent expenditure

■ Advocacy

■ Civic Engagement

Trainer Instructions:

- **Say:** We'll be referring to a set of terms that are essential to understanding this type of work.
- **READ TERMS FROM SLIDE**
- **Say:** You will find the definitions on your handout. Please review the terms and ensure that you are familiar with the definitions.
- Offer to answer questions or clarify points about these terms.

Notes: _____

SECTION 2: TOOLS & FUNDERS

Slides 9-20, Suggested Time: 25 min

SLIDE 9: Section Title

SLIDE 10: Activity Content

ACTIVITY: TEXT CAMPAIGN

Turn out and vote on Election Day!

Vote for Chappell Roan on Election Day!

NON-PARTISAN

PARTISAN

X

X

ACTIVITY: TV AD

Karaoke is a human right!

Join the Pink Pony Party!

NON-PARTISAN

PARTISAN

X

X

CONTENT

Differing content can make an activity partisan or nonpartisan.

Trainer Instructions:

- **Explain:** Many of the tactics used by nonprofits can be partisan or nonpartisan depending on content and intent.
- **Read** description of differing content.
- **Explain** the example activities and charts.

Notes: _____

SLIDE 11: Activity Intent

ACTIVITY: CANDIDATE PREFERENCE POLL

To better understand the breadth of support for a minimum wage increase

To use the results to the advantage of one of the candidates

NON-PARTISAN

PARTISAN

X

X

ACTIVITY: CRITICIZE AN ELECTED OFFICIAL

To urge them to change their position for an upcoming vote

To compromise their chances in an upcoming election

NON-PARTISAN

PARTISAN

X

X

INTENT

The intended purpose of an activity can change its nature

Trainer Instructions:

- **Read** description of intent changing activity nature..
- **Explain** the example activities and charts.

Notes: _____

SLIDE 26: Trigger Words (2/4)

INSTEAD OF
TALKING ABOUT
CANDIDATES...

Talk about issues
instead of people

TRIGGER WORDS
FOR 501(c)(3)s:
CANDIDATES

Trainer Instructions:

- **Add:** “501c3s should refrain from talking about candidates, especially in the lead-up to Election Day.”
- **Add:** “501c3s should not approve or disapprove of a candidate’s policy position when communicating in the context of an election. The IRS will view expressing an opinion on a candidate’s issue position, or comparing the candidate’s position with the organization’s view on that issue, as partisan.”

Notes: _____

SLIDE 27: Trigger Words (3/4)

WHEN USING TERMS LIKE
**BLUE STATES,
DEMOCRATIC VOTERS
OR PROGRESSIVE...**

Examine terms
carefully for context
and compliance

TRIGGER WORDS
FOR 501(c)(3)s:
PARTISAN
LANGUAGE

Trainer Instructions:

- **Add:** “When communicating about voting, registering to vote, or an election, 501c3s should avoid including language about policy issues that have become central to a candidate election, or that provide a clear distinction between the candidates on the ballot.
- **Provide this example:** “Keep abortion legal. Go vote on Tuesday!” will be viewed by the IRS as a proxy for telling voters to vote for Democrats.
- **Add:** “If your organization specializes in a politicized issue, seek legal counsel or review for writing about work like this.”

Notes: _____

SLIDE 28: Trigger Words (4/4)

INSTEAD OF USING
ACADEMIC OR MOVEMENT
LANGUAGE LIKE
“POLITICAL POWER”...

Use more precise
terminology

TRIGGER WORDS
FOR 501(c)(3)s:
ACADEMIC OR
MOVEMENT
LANGUAGE

Trainer Instructions:

- **Explain:** “This example, “political power” means something much broader in movement speak, but could be interpreted more narrowly as specifically meaning electoral or governing power.”

Notes: _____
