

Nonprofit Organizations

Mission drives impact. Nonprofits experience challenges every day that can hamper their ability to succeed. Transform these challenges into opportunities with the right resources. With Polsinelli as a strategic partner, nonprofits are able to focus on what they do best, furthering their mission. Experience the benefits of our cross-disciplinary team that has walked in a client's shoes and resolved similar challenges. Execute strategies and maximize impact with Polsinelli.

As active industry contributors and thought leaders, we take pride in keeping our clients abreast of significant legal and industry developments impacting nonprofits, often before they happen. We are committed to learning about our nonprofit clients' operations, objectives and challenges. This combined focus on both the big picture and client specifics helps us provide tailored guidance to enhance our clients' decision-making to achieve desired outcomes and results.

Local, national and international nonprofits work with us every day, including:

- Corporate, Community and Family Foundations
- Government Organizations
- Hospitals and Health Systems
- Public Charities
- Religious Organizations
- Research Institutions
- Social Enterprises
- Trade Associations
- Universities and Higher Education
- 501(c)(4) Social Welfare Organizations

While many nonprofits look to our team to provide support for all of their legal needs as their outsourced legal counsel, nonprofits also seek our advice and guidance for more discrete issues to support their in-house legal team. The Nonprofit Organizations practice, supported by the depth and breadth of the entire Polsinelli team, possesses a broad range of experience to meet both of those needs, including:

- Strategy & Structuring in launching and developing new nonprofit organizations and cutting-edge ventures.
- Advising boards of directors, committees and executive officers in connection with legal governance issues such as adhering to fiduciary duties, as well as consensus and decision-making strategies
- Charitable Giving & Fundraising
- Endowments & Management of Institutional Funds
- Tax and audit advice and compliance, planning for unrelated business income tax, real estate, sales and use tax exemption, Forms 990, 990-PF, and 990-T, as well as state reporting
- International grant-making and foreign operations
- Impact investment opportunities
- Collaborations, including chaptering, affiliations, mergers, alliances, and more

- Partnering with our Polsinelli colleagues for further subject-matter specialization, such as:
 - Labor & Employment practice to advise on issues such as hiring, retention, termination and employee handbooks
 - Employee Benefits & Executive Compensation practice regarding the design and administration of appropriate employee compensation programs, including navigating IRS rebuttable presumption safe harbors and rules against excess benefit transactions
 - Mergers, Acquisitions & Divestitures practice when commercial transactions arise
 - Intellectual Property practice to secure trademarks, patents and more when our clients develop innovative brands and processes
 - Government Contracts practice when government grants, contracts and other public/private partnership opportunities arise
 - Public Policy practice when engaging with Congress and other public officials is important to an organization's mission
 - Nonprofit Finance practice when an organization wishes to consider tax-exempt bond financing
 - Real Estate practice to advise organizations with respect to real estate purchases, sales and leases
 - Litigation practice for when clients need litigation risk analysis or find themselves parties to arbitrations and lawsuits.

Matters

- Structured and obtained tax exemption for multitiered super-parent of two health systems.
- Structured acquisition of multiple technology companies, both for-profit and nonprofit, for an educational institution utilizing a number of acquisition techniques, including triangular mergers, asset acquisitions and various stock transactions.
- Structured numerous joint ventures for health care systems with multiple tiers of entities involving for-profits and nonprofits.
- Obtained private letter ruling from the IRS on the favorable tax treatment of foreign Subpart F income to tax-exempt organization from foreign blocker entity.
- Successfully negotiated a \$1.6 million reduction in excise tax liability with the IRS on behalf of a large private foundation.
- Worked with the board of trustees of a university on a comprehensive governance and oversight analysis and instituted major governance reforms to provide more effective oversight by the board of trustees.
- Prepared and successfully resolved private letter ruling requests on behalf of several charity and foundation clients to obtain approval from the Internal Revenue Service for operational and transactional matters, including set-aside requests.
- Guided a nonprofit 13-hospital health care system through one of the largest hospital sale transactions in United States history.
- Creation of a state authority to spin off hospital operations from the state, including drafting the state legislation and securing a private letter ruling from the IRS recognizing the authority as a tax-exempt integral part of the state.
- Structured research consortium of nonprofits and governmental organizations utilizing a supporting organization structure and a for-profit technology transfer subsidiary and obtained a favorable private letter ruling to support structure.
- Regularly advised hospital and health system clients on unrelated business income consequences of clinical trials and clinical research; established protocols for documenting files; and developed strategies for successfully arguing that such activities are not UBI despite long-standing IRS positions on the contrary.
- Obtained several of the early IRS determination letters issued to RHIOs and HIEs regarding exempt status and counseled such organizations on governance structure, obtaining ARRA funding, negotiating vendor contracts and HIPAA privacy and security compliance.

- Counseled hospitals and health systems with MOB development and private activity use, unrelated business income and acquisition indebtedness rules related to ownership and leasing of MOB space.

Publications

March 11, 2026

Florida Passes Sweeping Modernization of State Nonprofit Law, Effective July 1

September 5, 2025

Navigating the Grantmaking Maze: A New Federal Oversight Framework

April 24, 2025

Harvard's Tax-Exempt Status Dispute with the Trump Administration: Implications for Nonprofits

April 16, 2025

SCOTUS Ruling: Freezing \$65 Million in Teacher Grants Amid DEI Controversy

March 20, 2025

DEI-Related Executive Orders Move Forward After Fourth Circuit Grants Stay of Preliminary Injunction; Federal Agency Actions

March 12, 2025

Nationwide Injunction Shuts Down Enforcement of Trump's DEI Executive Orders

February 20, 2025

DEI Executive Orders and Related Litigation

December 19, 2024

Dormant Entities and Weighing the Risk of Revocation—Private Letter Ruling 202437007 and Its Impact on Keeping Dormant Entities Active

Author, American Health Law Association

August 27, 2024

Proposed Restrictions on Foreign Grantmaking by U.S. Tax-Exempt Organizations

May 15, 2024

Healthcare Fundraisers Impacted By Non-Compete Rules

Quoted, The Nonprofit Times

April 26, 2024

FTC Final Rule Banning Most Non-Competes Passes – What Nonprofits Need to Know

April 4, 2024

Spring Cleaning for your Nonprofit: Dusting Off Your Articles, Bylaws, and Form 1023

April 1, 2024

Examining Community Benefit: The IRS' Shifting Standards for Tax-Exempt Hospitals

December 22, 2022

The Legacy IRA Act Meets the EARN Act: A Gift or a Lump of Coal