

Graded Project

Research Memorandum

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RESEARCH MEMORANDUM

BACKGROUND

To complete this project, you'll prepare a written memorandum. The memo is addressed to your supervisor, a law partner in a small law firm. In the memorandum, you'll describe which form of business organization you feel would be best for a new client.

PROCEDURE

To complete this project, you'll first do some research. Then, refer to your textbook for review; you'll apply the principles of business organizations and employer-independent contractor relationships. Use the information provided below to prepare your memorandum.

GOAL

Your goal for this project is to complete a well-written memorandum to your supervisor which addresses two legal issues:

1. The appropriate form of business organization for your client
2. What's required to make sure your client's independent contractor agreement is viewed as a legally enforceable independent contractor agreement and not as an employment agreement.

Remember not to use too much legalese in your memo. You're writing to your supervisor, who has knowledge of the subject matter. However, you must completely explain what the law is for each type of business organization you're considering, and the reasons you've selected one type of business organization as best for your client. The same complete explanation is required when discussing the issue of your client's independent contractor agreement.

THE PROJECT

Memorandum

You'll respond to the memorandum received from your supervisor.

To: Student

From: Supervisor

Re: New Client, Career Institute of America, Inc. (CIA)

Date: December 6, 20—

Facts

We've just met a new client, the founder and CEO of Career Institute of America, Inc. (CIA). Although the business was formed a year ago as a nonprofit corporation, they're not sure they're happy being a nonprofit.

CIA is a classroom and online education organization that specializes in training students in the U.S. auto industry, one of this country's largest industries. The client would like to retain most of the ownership and control of the company, since it is really his enterprise. He also has some concerns about the independent contractor agreement, which instructors must sign when they agree to work for the company. He wants to be sure they're viewed as true independent contractors, and not construed as employees of the company.

Note that most of the company's income is from online training courses. You should also know that they received a U.S. Department of Labor retraining grant for the instruction they're currently providing, a type of grant awarded only to nonprofit educational organizations. Since this was a one-time grant, they must now make their income from tuition for online courses and in the two small classrooms where they teach traditional courses. This is why they're not necessarily opposed to changing their form of business from a nonprofit organization to a for-profit business.

You should further know that the employment contract they provide to their instructors looks as if it was designed by an amateur and may not comply with the legal requirements for a valid independent contractor agreement.

Research Assignment

Research the two areas of law described below and prepare a memorandum addressing each area so the client can be properly advised on how to proceed.

1. First, determine the limitations of a nonprofit corporation in the state of Delaware, the state in which CIA was formed and is doing business. You should also review the law for nonprofit and for-profit corporations, as well as limited liability companies, to determine the best form of business for the client.

Consult the listing of Delaware statutes on the Delaware state website at <http://www.corp.delaware.gov/DElaw.shtml> to assist you in your research.

For more general information concerning nonprofit corporations, for-profit corporations, and limited liability companies, the following websites can assist you:

- <http://www.law.cornell.edu>
- <http://www.freeadvice.com>
- <http://www.findlaw.com>
- <http://www.nolo.com/legal-encyclopedia>
- <http://www.hg.org>

Combine this information with what you know about business organizations and what the client wants, so you can recommend the best form of business organization for CIA at this time.

2. The second issue concerns the contract signed by CIA instructors, who teach the programs and grade the students' papers.

Research employment and independent contractor agreements using the websites listed above or on search engines such as Google or Bing. Since the agreements will be signed by client's instructors located in other states, we want to use the general law dealing with such agreements rather than state-specific. Be sure to identify each of the key elements necessary for the agreement to be viewed as an independent contractor agreement and not an employment agreement, as well as any other suggestions you might have for the client in connection with their instructor contracts.

Here are some helpful hints:

- Remember that the project requires that you use the memo format provided and that you research both issues requested: the most appropriate form of business organization to meet the client's needs and the requirements for an agent to be deemed an independent contractor and not an employee.
- First locate the law for each of the two issues.
- Next, analyze the information you found and apply it to the needs of the client.
- Both your research and your analysis should then be summarized and included in your memo.

WRITING GUIDELINES

Prepare your answers in well-organized paragraphs, and use these writing guidelines:

1. Type your submission double-spaced, in a standard print font of size 12. Use a standard document format with one-inch margins. Don't use any fancy or cursive fonts.
2. Include the following information at the top of your submission: Name and address, student number, course title and number, and project number.
3. Read the assignment carefully, and address the issues suggested.
4. Be specific. Limit your submission to the topics raised.
5. Include a reference page that lists websites, journals, or any other references used in preparing the submission. Remember, if you use someone's words or ideas, you must cite them directly in your memo.
6. Proofread your work carefully. Check for correct spelling, grammar, punctuation, and capitalization.

For this project, please use the following format for your legal memorandum:

To:

From:

Re:

Date:

Summary of Applicable Facts:

Issues:

Law:

Analysis:

GRADING CRITERIA

The following is a breakdown of how your project will be graded:

	Excellent	Good	Proficient	Needs Improvement
Content (70 Points)	The student provides a clear discussion of the assigned topic or issue; addresses the subject in complete sentences; supports his or her opinion by citing specific information from the text, assigned websites, and other sources; stays focused on the assigned issues; writes in his or her own words; and uses quotation marks to indicate direct quotations.	The student provides a discussion of the assigned topic or issue; addresses the subject in complete sentences; supports his or her opinion by citing information from the text, assigned websites, and other sources; writes in his or her own words; and uses quotation marks to indicate direct quotations.	The student provides a discussion of the assigned topic or issue; writes in his or her own words; and uses quotation marks to indicate direct quotations.	The student does not provide a discussion of the assigned topic or issue, or is too disorganized and rambling; does not write in his or her own words.
Written Communication (25 Points)	The student includes an introduction, analysis, and conclusion supporting his or her positions; uses correct grammar, spelling, punctuation, and sentence structure; provides clear organization; and makes sure the paper contains no typographical errors.	The student includes 2 of 3 elements needed to support his or her positions; uses mostly correct grammar, spelling, punctuation, and sentence structure; provides clear organization; and includes less than 2 typographical errors.	The student includes 1 of 3 elements needed to support his or her positions; has errors with grammar, spelling, punctuation, and sentence structure; and includes less than 5 typographical errors.	The student does not include any clear introduction, analysis, or conclusion; has many errors with grammar, spelling, punctuation, and sentence structure; and includes more than 5 typographical errors.

(Continued)

	Excellent	Good	Proficient	Needs Improvement
Format (5 Points)	The project is double-spaced and typed in size 12 font; uses the correct memorandum format provided in the instructions; and includes the student's name, address, student number, course title and number, and assignment number.	N/A	N/A	The project is incorrectly formatted using the wrong font and size; the memorandum format is not used; or does not include the required student information.

SUBMITTING YOUR ASSIGNMENT

Each project is individually graded by your instructor and therefore takes up to a few weeks to grade.

Be sure that each of your files contains the following information:

- Your name
- Your student ID number
- The lesson number (50032600)
- Your email address

Note: If you have more than 10 attachments, you'll need to WinZip all of the project's associated files along with all documentation using the WinZip software program.

To submit your graded project, follow these steps:

1. Go to <http://www.pennfoster.edu>.
2. Log in to your student portal.
3. Click on **Take Exam** next to the lesson you're working on.
4. Follow the instructions provided to complete your exam.

Be sure to keep a backup copy of any files you submit to the school!