

# PL-2460: BUSINESS ORGANIZATIONS

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## Cuyahoga Community College

**Viewing: PL-2460 : Business Organizations**

**Board of Trustees:**

January 2024

**Academic Term:**

Fall 2024

**Subject Code**

PL - Paralegal Studies

**Course Number:**

2460

**Title:**

Business Organizations

**Catalog Description:**

Introduction to various business entities including sole proprietorships, partnerships, corporations, and licensed professional associations. Drafting of partnership agreements and incorporation documents. Introduction to tax consideration and Securities and Exchange Commission ramifications.

**Credit Hour(s):**

3

**Lecture Hour(s):**

3

## Requisites

**Prerequisite and Corequisite**

ENG-1010 College Composition I, or ENG-101H Honors College Composition I; and PL-1001 Introduction to Paralegal Profession, or concurrent enrollment.

## Outcomes

**Course Outcome(s):**

Examine and explain the attributes and elements of agency relationships.

**Essential Learning Outcome Mapping:**

Critical/Creative Thinking: Analyze, evaluate, and synthesize information in order to consider problems/ideas and transform them in innovative or imaginative ways.

**Objective(s):**

1. Identify and evaluate the benefits and drawbacks of an agency relationship.
2. Describe the attributes of an agency relationship between principal and agent.
3. Describe the attributes of an employer/employee relationship.
4. Explain the liabilities and responsibilities of an employment relationship using the doctrine of respondeat superior.
5. Identify and explain the benefits and drawbacks of a sole proprietorship.
6. Utilize the appropriate legal forms in forming a sole proprietorship form of business, including tax forms, Employer Identification Number, and vendor licenses.

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**Course Outcome(s):**

Examine and explain the attributes and elements of partnerships, including general, limited, and licensed professional associations.

**Essential Learning Outcome Mapping:**

Written Communication: Demonstrate effective written communication for an intended audience that follows genre/disciplinary conventions that reflect clarity, organization, and editing skills.

**Objective(s):**

1. Identify and evaluate the benefits and drawbacks of the different types of partnerships (general, limited, and licensed professional association).
2. Explain the rights, liabilities, duties, and responsibilities of different types of partnerships.
3. Utilize the proper documentation in creating a partnership, both of general and limited types, including partnership agreements.
4. Identify various tax considerations for the business entities listed above.

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**Course Outcome(s):**

Identify and utilize documentation and legal forms for the creation and maintenance of Limited Liability Companies, Corporations, and Franchises including articles of organization, by-laws, and minutes of meetings.

**Essential Learning Outcome Mapping:**

Critical/Creative Thinking: Analyze, evaluate, and synthesize information in order to consider problems/ideas and transform them in innovative or imaginative ways.

Written Communication: Demonstrate effective written communication for an intended audience that follows genre/disciplinary conventions that reflect clarity, organization, and editing skills.

**Objective(s):**

1. Identify and utilize information regarding the benefits and drawbacks of limited liability companies and corporations (Subchapter C, S and closely held).
2. Research and identify critical organizational structure information regarding existing corporations, including corporate structure, board of directors makeup, officer designations, principal place of business, products/services provided, and branch offices.
3. Identify and analyze language of a franchise agreement, with special emphasis on ramifications and potential shortfalls in the agreement.

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**Course Outcome(s):**

Apply the guidelines of paralegal organizations, as well as the Ohio Rules of Professional Conduct, to the activities of a paralegal working for various business organizations.

**Essential Learning Outcome Mapping:**

Civic Responsibility: Analyze the results of actions and inactions with the likely effects on the larger local and/or global communities.

**Objective(s):**

1. Define the duties and functions of the paralegal who is involved with business clients, including ethical requirements of communication and confidentiality.
2. Define the duties and functions of the paralegal who is involved with business clients, including ethical requirements regarding conflict of interest and the unauthorized practice of law.

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**Methods of Evaluation:**

1. Examinations
2. Quizzes
3. Pleadings Assignments
4. Legal memoranda Assignments
5. Creation of a sole proprietorship, partnership, and corporation Assignment
6. Meeting minutes Assignment
7. Research Projects
8. SEC Edgar Website Research

**Course Content Outline:**

1. The Agency Relationship
  - a. Definitions of:
    - i. Agency
    - ii. Agent
      1. General agent
      2. Special agent
      3. Gratuitous agent
    - iii. Principal
    - iv. Servant
    - v. Employee
    - vi. Employer
    - vii. Independent contractor
  - b. Formation and Termination
  - c. Fiduciary Duties
    - i. Duty of loyalty
    - ii. Conflicts of interest
    - iii. Preserving of confidences
    - iv. Duty to obey instructions
    - v. Duty to act with care and skill
    - vi. Duty to notify
    - vii. Duty to account
    - viii. Remedies for breach
  - d. Contracts
    - i. Authorized contracts
    - ii. Apparent authority
    - iii. Limitations and revocation
    - iv. Notice/notification
    - v. Ratification
    - vi. Restitution
    - vii. Unauthorized agent
    - viii. Undisclosed principal
    - ix. Partially disclosed principal
2. Sole Proprietorships
  - a. Nature
  - b. Formation
  - c. Rights and liabilities of owner
  - d. Duties and responsibilities of owner
  - e. Owner property
  - f. Owner liability
  - g. Taxation
3. Partnerships (general, limited, and licensed professional associations):
  - a. Nature
  - b. Formation
  - c. Rights and liabilities of partners
  - d. Duties and responsibilities of partners
  - e. Partnership property
  - f. Partnership liability
  - g. Dissolution, winding-up and termination
    - i. Causes
    - ii. Effects
    - iii. Continuing the business
    - iv. Rules for distribution
    - v. Bankruptcy
  - h. Taxation
4. Corporations (subchapter C, S, and closely held):
  - a. Nature
  - b. Formation

- c. Ultra Vires Doctrine
  - d. Defective incorporation
    - i. De facto corporations
    - ii. De jure corporations
  - e. Piercing the "corporate veil"
  - f. Stock Features in Articles of Organization
  - g. Shareholders' rights and liabilities
  - h. Board of Director's responsibilities and liabilities
    - i. Officer's responsibilities and liabilities
    - j. Contractual, tort and criminal liabilities
  - k. Indemnification and insurance
    - l. Changes in the corporate structure
  - m. SEC Edgar Website Research
5. Hybrid Forms
- a. Limited Partnership
  - b. Limited Liability Company
  - c. Limited Professional Associations
  - d. Franchises
  - e. Joint Ventures
6. The role and function of the paralegal who is involved with corporate clients, including ethical considerations.

## Resources

Kathleen Reed, Henry R. Cheeseman, and John J. Schlageter III. *Business Organizations for Paralegals*. First Edition. Pearson, 2012.

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Bouchoux, Deborah E. *Business Organizations for Paralegals*. 9th Edition. Wolters Kluwer, 2022.

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Morissette, Emily Lynch. *Business Law and Organizations for Paralegals*. Third Edition. Carolina Academic Press, 2021.

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Anthony Mancuso. *The Corporate Records Handbook*. Ninth Edition. Nolo Publishing, 2022.

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## Resources Other

1. Ohio Secretary of State - Home page. <https://www.sos.state.oh.us/>
2. SEC.gov Company Search page. <https://www.sec.gov/edgar/searchedgar/companysearch.html>

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