TO BE OR NOT TO BE A 501(C)(3)
STEP - BY - STEP: STARTING A NONPROFIT

Checklist, Forms and Sample Documents

STEP 1. Plan

Questions to Ask

- Do you really need to start your own nonprofit?
- Are there other nonprofits doing similar work? If so, who?
- Do you have a clear mission statement?
- Do you have a description of programs and/or services (goals and objectives) you plan to offer?
- How will you raise start-up funds and continued operational funds?

STEP 2. Establish a Board of Directors

Board should include
- People who believe in your mission
- People who have an area of expertise (i.e. lawyer, public relations, CPA, etc.)
- People from your target population

Board Resources
- Sample Board Composition Matrix
- Board Profile Worksheet
- Sample Board Application Form

STEP 3. Reserve the name of your nonprofit organization in the state of Louisiana

Search existing names in the state of Louisiana

- Search Louisiana Corporations Database
  http://www.sos.la.gov/BusinessServices/SearchForLouisianaBusinessFilings/Pages/default.aspx

STEP 4. Develop and File the Articles of Incorporation with the Louisiana Secretary of State's Office

- Sample Articles of Incorporation
- Filing Articles of Incorporation – Louisiana Nonprofit

  - Online
    at: http://www.sos.la.gov/BusinessServices/FileBusinessDocuments/FileOriginalDocuments/Pages/default.aspx

  - Download pdf
- $75 filing fee (as of August 2013) required for nonprofit articles of incorporation

STEP 5. Get employer identification number

- Download pdf
- Apply for an Employer Identification Number (EIN) online

STEP 6. Draft Organization's Bylaws for the Board of Director's adoption

- Bylaws

- BHYL By-laws

- Church By-laws

STEP 7. Complete IRS package 1023 and 8718 or 1023-EZ

Form 1023

Instructions Form 1023

Form 8718

Form 1023-EZ

Instructions Form 1023-EZ

Publication 557 Tax Exempt Status for Your Organization

Publication 1828 Tax Guide for Churches and Religious Organizations

Publication 4220 Applying for 501(c)(3) Tax-Exempt Status

Publication 4221-NC Compliance Guide for Tax Exempt Organizations (other than 501(c)(3) Public Charities and Private Foundations)

Publication 4221-PC Compliance Guide For 501(c)(3) Public Charities

Publication 4221-PF Compliance Guide for 501(c)(3) Private Foundations

- **IRS Telephone Assistance** for Exempt Organizations: Toll-Free, 1-877-829-5500 *Hours of Operation: Monday – Friday, 8:00 a.m. to 5:00 p.m. Local Time.*

STEP 8. Develop Policies and Procedures Manual for:
- Employees
- Volunteers
- Financial
- Fundraising
- Sample Policies and Procedures Manual (see attached documents)

STEP 9. Determine Insurance Needs
- Liability
- Group Health
- Directors and Officers (for the Board of Directors and Staff Leadership)

STEP 10. Open a Bank Account

STEP 11. Establish an Accounting System. Examples include:

- Peachtree
- Quickbooks
- Quickbooks for Nonprofits

STEP 12. Establish an operational calendar
- Board Meetings (should be at least 4x/year)
- Deadlines
- Important dates

See Additional Resources
- About 501c Organizations
- Louisiana Applicable Statutes for corporations and associations
- LANO's Nonprofit Excellence Resource page with downloadable **Principles and Practices** document
- The Life Cycle of a Public Charity- a stepwise guide to creating a public charity and applying for Federal 501c3 status (IRS)
- Assistance with 990 filing from Nation Center for Charitable Statistics
- Handbook [PDF] on Federal charitable contributions and deductions (IRS; helps explain the ways donations to a nonprofit may be tax deductible by the donor)
- IRS filing for nonprofit status step by step (IRS)
- Form 990
- Instructions for the Form 990
- Facts about the Form 1023
- Form 1023 Help site (with commentary on Form 1023 by section)
- Filling Out the IRS Forms for Nonprofit Status (Center for Participatory Change, with commentary on Form 1023 by section)
- http://www.boardsource.org/ - Expertise on Board issues, strategies, policies
- http://www.techsoup.org/ - Nonprofit technology discounts, reference materials, discussion boards
- http://www.irs.gov/ - Nonprofit status and tax documents

Echoing Green- Strategic advice on many facets of running a nonprofit